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TODAY: STAGE Uneasy Freedom? Page 10

Slap at U.S. As Russia Gets Jakarta Fighter Deal

Move Defies Congress And Could Set Trend In Asian Markets

By Michael Richardson
International Herald Tribune

SINGAPORE — Defying its human rights critics in the United States, Indonesia said Tuesday that it would buy Russian fighters and helicopters after canceling a deal for American-made F-16s because of congressional attacks on its human rights record.

Jakarta's decision to turn to Russia was a serious setback for U.S. defense companies trying to sell weapons in the fast-growing but increasingly competitive Asian market, analysts said.

The news could encourage other U.S. customers in the region, they said, including the Philippines, Thailand and South Korea, to start buying Russian weapons, which cost substantially less than comparable U.S. equipment.

The Philippines and Thailand, both operating under tight budget constraints, have expressed interest in low-cost Russian fighters and associated missiles, while South Korea has said it is considering a futuristic Russian Sukhoi jet for a major order of 120 fighters to be delivered after 2002.

Ginanjar Kartasasmita, Indonesia's state planning minister, said Tuesday that Jakarta would buy 12 Sukhoi Su-30K fighters for the air force and eight MI-17-1V troop transport helicopters for the army's elite commando Special Forces.

The decision was "based on a study and comparison of various helicopters and fighter planes," Mr. Ginanjar said. He indicated that Russia would probably get subsequent arms orders.

While Indonesia wanted 20 of the fighters "for the first phase, we decided on eight helicopters and 12 fighter planes," Mr. Ginanjar said. "There is a possibility we can buy more in future from Russia."

Indonesia's armed forces had also shown interest in Russian radar and missiles for a planned major upgrade of the country's air defense system, analysts said.

Most of Indonesia's military equipment is from the United States or Europe. Its most recent big order before the Russian purchase was announced Tuesday was for 16 Hawk fighters from Britain, worth about $260 million.

While Britain's Labor government confirmed last month that the Hawk contract with Indonesia would go ahead, it unveiled new rules to halt arms sales to regimes that might use British-made weapons for internal suppression or external aggression.

"There is a worry in Jakarta that Britain might cut future military contracts," said Jusuf Wanandi, chairman of the supervisory board of Indonesia's Center for Strategic and International Studies.

"It is good to warn them now that we can buy from other countries without human rights conditions attached," he said.

Indonesia canceled a plan in June to buy nine F-16s from the United States to add to an existing squadron because of

See INDONESIA, Page 6



Anja Niedringhaus/Agence France-Presse

SUPER SPRINT — Michael Johnson taking a victory lap in Athens after winning the men's 400-meter final Tuesday at the World Athletics Championships. It was perhaps his most difficult medal yet. Page 18.

South Korean Jet Crashes on Guam

29 Survivors Found, Police Say; Airline Tally Puts 257 Aboard

Compiled by Our Staff From Dispatches

HONOLULU — A Korean Air jumbo jet with 257 people aboard crashed early Wednesday while trying to land on Guam, the airline said.

The police said up to 29 people had survived the crash, but rescue personnel could not confirm the number.

In Washington, reports from the Pentagon said that the last radio message from the jet indicated that a fire had broken out on board. The United States has military bases on Guam, a U.S. territory.

Flight 801 from Seoul to Guam was cleared to land when contact was lost as it was 3 miles (5 kilometers) from Agana International Airport, said Tom Rea, the Federal Aviation Administration's Pacific representative in Honolulu.

Frank Matane of the Guam police told the MSNBC network that 29 people had apparently survived. He said the plane went down "in rough terrain, up in the hills."

A local radio station said the plane had crashed on Nimitz Hill, a rugged hill on the approach to the airport and one of the island's few unpopulated areas.

Korean Air said that the Boeing 747-300 was carrying 234 passengers and 23 crew members.

A spokesman for the Guam Airport Authority told the CNN network that there were unconfirmed reports that the airliner had had "some difficulties with its engines" on its approach to the airport shortly after 2:35 A.M.

Ginger Cruz, a spokeswoman for the governor of Guam, told MSNBC that some witnesses had reported hearing an explosion before the plane went down.

A spokesman for the airport, Jay Sprague, told the network, "It rained off and on all day, but it's too early to say if weather was a factor."

Aviation sources in Los Angeles said that there had been reports of flights' being delayed because of the poor weather around Guam.

Staff at Guam Memorial Hospital was placed on alert, though a spokesman said the hospital had no numbers on possible victims.

The U.S. Coast Guard had ships in the area to provide medical services and lighting for rescuers.

Lieutenant Thomas Robinson of the Coast Guard told CNN that rough terrain and rain squalls at the crash site would make it a "difficult" rescue mission.

There was no immediate information on the victims. But a spokesman for the South Korea Embassy in Washington noted that Guam was a popular destination for Asian newlyweds.

The crash came a little more than a year after a TWA Boeing 747 exploded in midair off New York, killing 230 people. On Sept. 1, 1983, Soviet fighters shot down KAL Flight 007 in Soviet airspace, killing 269. *(AP, IHT, Reuters)*

New Problems on Mir Spacecraft

Oxygen Generators Fail as Replacement Crew Heads to Rescue

The Associated Press

BAIKONUR, Kazakstan — A Soyuz rocket blasted off Tuesday, carrying a replacement crew to the troubled Mir space station, where the old team grappled with a new problem — the breakdown of oxygen generators.

The Soyuz-U booster rocket lifted off on schedule at 7:36 P.M., Moscow time, carrying a capsule with two cosmonants who have trained extensively for a difficult repair mission aboard the Mir.

Anatoli Solovyov and Pavel Vinogradov are to dock with the Mir on Thursday, 250 miles (400 kilometers) above Earth, and are expected to spend more than six months on board.

Their most important mission will be to repair the damage caused by a collision with a cargo ship on June 25.

At Mission Control near Moscow, flight controllers watched quietly as the rocket lifted off on video screens, then applauded when the third stage separated from the capsule.

The Mir has suffered a string of breakdowns in recent months, and the latest problem with the oxygen generation system renewed concerns about the safety of the 11-year-old space station.

Russian and U.S. officials played down the seriousness of the newly disclosed breakdown, which they said has been an on-and-off problem for the past week. They said the three men aboard were in no danger.

But the problem put the focus on the Mir's difficulties only hours before the new crew blasted off from the Baikonur Cosmodrome. The two crews will overlap for about a week.

The two Russians and one American on board were using oxygen canisters Tuesday for the second straight day, NASA said.

The oxygen system breaks down periodically, but the Mir is so large that the existing oxygen supply can last for

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Thais Commit To Austerity And Will Shut More Lenders

By Thomas Crampton
Special to the Herald Tribune

BANGKOK — The government said Tuesday it would raise the value-added tax and close dozens of financial companies to qualify for a $10 billion credit line from the International Monetary Fund that would help the country overcome its economic crisis.

"Thailand has signed IMF surrender terms," said the head of regional research for Seamico Securities, Barry Yates.

"They have now come clean as to the full extent of the financial sector's difficulties."

Finance Minister Thanong Bhidaya and the central bank governor, Chaiyawat Wibulswasdi, said 42 finance companies would be shut in addition to the 16 closed in late June.

The finance companies will have 90 days to arrange mergers among themselves or with stronger partners, Mr. Chaiyawat said, but they will not receive additional government aid.

Mr. Chaiyawat said the government's Financial Institution Development Fund had spent 500 billion baht ($15.7 billion) supporting the companies, which are suffering as borrowers are no longer able to repay their loans.

The package included an unspecified amount of government spending cuts as well as raising the value-added tax to 10 percent from 7 percent as of Aug. 16.

Prices already are rising as the baht falls, and the increase in the tax could add to inflationary pressure.

Mr. Thanong predicted 8 percent to 9 percent inflation this year. An IMF official said the fund, which helps stabilize troubled currencies, was pleased with the news and would work to get an assistance package within as little as 10 days.

See BAHT, Page 6

Dollar Powers to an Eight-Year High Against Mark

Bundesbank Keeps Hinting at Rate Rise

By Alan Friedman
International Herald Tribune

PARIS — The dollar continued to power ahead against the Deutsche mark and other European currencies Tuesday in spite of remarks by the Bundesbank's chief economist that seemed to imply the German central bank was ready to

Chancellor Helmut Kohl goes on a legislative offensive. Page 5.

raise interest rates to defend its currency.

The dollar climbed to 1.8797 DM in late trading in New York from 1.8663 DM the day before, and at one point it touched its highest level against the mark in more than eight years.

A deep expression of concern about the mark's slide by the Bundesbank's chief economist, Otmar Issing, was at first interpreted in financial markets as signaling a rate hike, but it was shrugged off almost immediately.

Currency-watchers attributed the dollar's strength to a combination of factors, including data released last week showing that the U.S. unemployment rate had dropped to 4.8 percent, plus new signs of weakness in the Japanese economy and a perceived lack of confidence in the political leadership of Chancellor Helmut Kohl in Germany.

The dollar's seemingly irresistible ascent, which has already produced an 18 percent appreciation against the mark since the start of the year, is also based on a persisting view in financial markets that the mark will be replaced by a weaker euro once Europe completes its single-currency project.

The dollar began to move higher against the mark Tuesday after the Bundesbank kept its key interest rate steady at 3.0 percent.

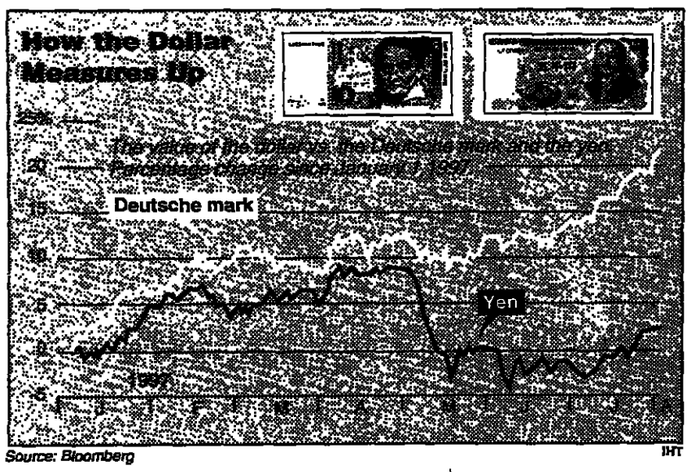
Buyers of the U.S. currency then sent it upward again when the chief economist of the Ifo Institute, Germany's most influential economic think tank, suggested that the Bundesbank might act if the dollar were to rise beyond 1.90 DM.

"It's very difficult to say what would prompt a rate rise, but I could imagine that a dollar above 1.90 marks would set alarm bells ringing in Frankfurt," said Willi Leibfritz, the Ifo economist.

Analysts said the market, rightly or wrongly, had interpreted the remark as a virtual forecast and decided to test the Bundesbank's willingness to move from jawboning to action.

There were, however, no reports of central bank intervention Tuesday, and

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The Battle of the Oder Helps to Unify Germany

By William Drozdiak
Washington Post Service

BERLIN — The flood waters in Central Europe that threatened Eastern Germany with its worst natural disaster in a half-century have accomplished something that a trillion dollars in aid money and countless political initiatives could not — an unprecedented display of national unity.

As the swollen Oder River receded, Europe's largest country gave a sigh of relief and counted its blessings. Television shows and newspapers heaped praise on the heroic efforts of soldiers and volunteer aid workers who worked round the clock to shore up muddy dikes and prevent a catastrophe from engulfing a large swath of farms and villages.

What amazed and delighted this nation of 80 million citizens was the dramatic show of solidarity between Germans long divided by the Cold War and by rancorous disputes over the nature of the unification process that brought them together in 1990 after the collapse of communism.

[The government is ready to approve 500 million Deutsche marks ($270 million) in aid for victims of the floods, Chancellor Helmut Kohl said Tuesday, Agence France-Presse reported.

[In a statement at a special session of Parliament, Mr. Kohl said the money would go to help the region recover from the devastation.]

Western Germans often complain about high taxes and subsidies they must pay to provide more than $100 billion a year in aid to buttress living standards in Eastern Germany.

With unemployment reaching 30 percent in some areas of the east, Germans in the west complain that they are forced to carry the burden of providing welfare for lazy cousins who do not want to abandon cushy socialist habits for the competition of free-market capitalism.

But East Germans contend they have been "colonized" by a pushy "elbow society" in the west that they find cold and heartless.

They argue, with some justification, that they lost jobs largely because western enterprises bought up the companies that employed them with the sole intention of shutting down those companies and eliminating any competition in the eastern market.

See GERMANS, Page 5

Clinton Readies New Attack on Tobacco

Directive Will Tighten Smoking Ban at Federal Executive Buildings

By Peter Baker
Washington Post Service

WASHINGTON — In the next step in his war against tobacco, President Bill Clinton plans to sign an executive order this week imposing the broadest ban ever enacted against smoking on federal property, including a prohibition on lighting up outside office building entrances, Washington officials said.

The military services and many federal agencies already restrict smoking in their facilities. But until now departments have had discretion on the rules.

Mr. Clinton's order, officials said, would set a standard policy across the government and extend existing prohibitions to places currently exempted, such as officers clubs.

"It's become clearer and clearer that this is a significant health risk, and we wanted a uniform government policy that brings all the agencies up to that level," an official said.

The order would ban indoor smoking in virtually every executive-branch building owned or leased by the government and forbid outdoor smoking in courtyards and near entrances to buildings, according to officials.

Generally, the only exceptions would be rooms with separate ventilation systems that have exhaust vents directly to the outdoors. Housing units such as barracks would also be spared and some other narrow exceptions could be allowed, such as in "undercover, military or diplomatic situations that are essential to accomplish agency missions," officials said.

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AGENDA

China and Taiwan Face Off in Americas

Soon after Hong Kong reverted to Chinese rule, Taiwan's foreign minister embarked on an 11-nation tour starting in Central America to shore up ties with Taipei's closest allies.

The region has become a battleground in the diplomatic struggle between China and Taiwan.

Although both strive to increase their influence in the region, their methods are different. While China plays diplomatic hardball, Taiwan is giving out economic carrots.

Taipei's approach has had results. Of the 30 countries that recognize Taiwan as the official Chinese government, 14 are in Central America and the Caribbean. Page 4.

The Dollar		
New York	Tuesday @ 4 P.M.	previous close
DM	1.8797	1.8663
Pound	1.6245	1.6317
Yen	119.25	118.35
FF	6.3485	6.2935

The Dow		
	Tuesday close	previous close
-10.91	8187.54	8198.45

S&P 500		
change	Tuesday @ 4 P.M.	previous close
+2.07	952.37	950.30

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The IHT on-line http://www.iht.com

IMF Pushes Turkey To Repair Economy

WASHINGTON (Reuters) — Turkey needs to take bold steps to stabilize its fragile economy and reduce a raging inflation rate of 80 percent, the International Monetary Fund said Tuesday in a strongly worded statement.

"Directors highlighted the adverse effects of high inflation on the sustainability of output growth," the IMF executive board said in a summary of its annual review of the Turkish economy.

The directors urged the government "to embark on a bold and comprehensive program of stabilization policies and structural reforms to reduce inflation and set the economy on a sustainable growth path."

The IMF said consolidation was the key to any stabilization effort, including a reform of the country's deficit-ridden social security system.

Newsstand Prices			
Andorra	10.00 FF	Lebanon	LL 3,000
Antilles	12.50 FF	Morocco	15 Dh
Cameroon	1,600 CFA	Qatar	10.00 QR
Egypt	£E 5.50	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10 SR
Gabon	1,100 CFA	Senegal	1,100 CFA
Italy	2,800 Lire	Spain	225 Ptas
Ivory Coast	1,250 CFA	Tunisia	1,250 Din
Jordan	1,250 JD	U.A.E.	10.00 Dh
Kuwait	700 Fils	U.S. Mil. (Eur.)	$1.20

AT&T

South African Playwrights / **Grappling With the Truth Commission**

Theater Spotlights Horrors of Apartheid

By Donald G. McNeil Jr.
New York Times Service

GRAHAMSTOWN, South Africa — One play begins in classical style, *with Ubu, the fat, id-driven psychopath* of French burlesque, roaring an obscenity. The other begins with a strikingly modern image: a sprinter staggering off the blocks with a wounded African National Congress guerrilla on his back, then running straight out of the stadium and on to 20 years of exile in London.

Both moments were lived, vicariously, by their authors. William Kentridge, the creator-director of "Ubu and the Truth Commission," danced naked in front of his own camera to develop the supplicating and defiant poses in which his obese anti-hero would meet his accusers.

Paul Hertzberg, the author of "Dead Wait," spent 20 years in exile after *serving twice in the South African mil*itary, once in Angola, South Africa's own Vietnam experience.

More important, both plays, which were centerpieces of the annual National Arts Festival here, have a common subject. South African artists are just beginning to grapple with the most absorbing and contentious event in the country today: the daily hearings of the Truth and Reconciliation Commission, which is probing the ugliest depths of apartheid's worst crimes — and then offering amnesty to the torturers and killers who committed them.

Even though the hearings are to continue until January, a few writers are already managing to pick lifelines of plot out of the torrent of national catharsis. Related works by foreign writers were also explored here at Africa's most important cultural gathering.

Ariel Dorfman, the Chilean writer, came to discuss his play, "Death and the Maiden" (later made into a film by Roman Polanski), about the torture and disappearances in Chile in the 1970s and Chile's own Truth Commission.

JANE Taylor, Mr. Kentridge's collaborator, has also created "Fault Lines," a mixture of readings, art exhibits and radio drama about the commission's work.

The artists here universally applauded the commission for its role in what one called "drawing the poison out of *people," and said they felt that theater had* a place in helping South Africans reconcile with each other.

"Artists deal with death, suffering and loss," said Ms. Taylor, a professor of English at the University of the Western Cape. "I felt that the arts could probe difficult terrain that the commission couldn't afford to take on while maintaining its legal brief."

The raw material from the hearings is nearly endless. Mr. Kentridge's "Ubu" puppets repeat the actual words of witnesses, in their original language. Sometimes he echoes one of the disturbing juxtapositions of the hearings, in which a mother's tearful breakdown describing her son's dead body will be rendered by a translator in a flat monotone. To add life to the testimony, actors play Ubu and his wife, a puppet crocodile plays Ubu's political master and a Cerberus puppet plays his killing team.

On a screen behind them, a film mixes documentary footage and Mr. Kentridge's blackboard-style cartoons. In one notable moment, a sleek modern skyscraper appears, one that resembles John Vorster Square, the cheerful looking blue-and-white Johannesburg police headquarters. Only when he zooms in close does one see prisoners being electrocuted, savaged by dogs and flung screaming out those airy windows.

Mr. Kentridge is known in the United States for his previous works with the Handspring Puppet Company, including "Faustus in Africa" and "Woyzeck on the Highveld." Mr. Hertzberg, by contrast, got his plot from a chance encounter in England. He was on a train, *and met a man who described his South* African nephew's experience in Angola. His unit captured a wounded man they suspected was an important African National Congress guerrilla, and the young soldier was forced to carry him for days.

The two formed a bond. The captain, a rural Afrikaner who hated the young draftee for being wealthy and well-educated, saw this. When the patrol was slowed down by its prisoner during a Cuban counterattack, he forced the young man to kill him.

Mr. Hertzberg's soldier, Josh, now 39, has come home to confess to the commission, but also to find his former commander and force him to grovel or die.

Their hardest task, the authors said, was to avoid the cheap way out: making the Afrikaner police and army officers into cartoon villains.

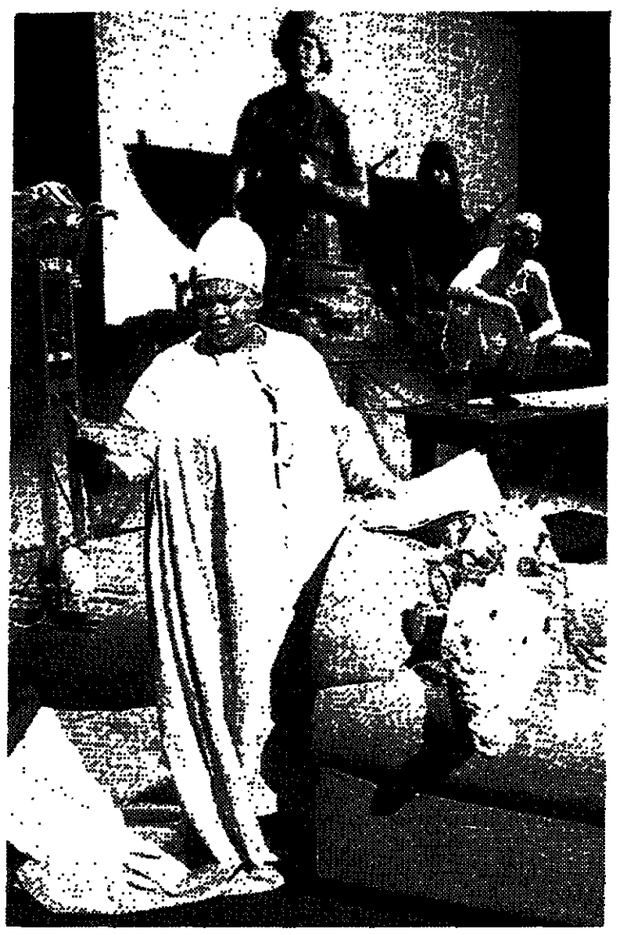
MR. HERTZBERG drew his platoon leader as a man of crafty intelligence, a brave if sadistic soldier who loved army life and felt he was fighting communism. By the time Josh finds him, he is 51, divorced, drunk, in a dead-end job reporting to a black boss and living in a railroad flat — and recounts a tough childhood.

"I didn't want him to seem like a raging lunatic, so I gave him as brutalized a background as possible," Mr. Hertzberg said.

In public discussions before the premiere, the "Ubu" creators were asked if they hadn't erred in picking Ubu as a symbol of the apartheid state. After all, a skeptical professor pointed out, the Ubu created in 1888 by Alfred Jarry was an Idi Amin-type figure, a thoughtless bully with a childlike delight in satisfying his appetites. The apartheid government's *brutality, he argued, was coolly rational.*

Ms. Taylor answered: "That rational state deployed psychopaths to break down other people's psyches. When I watch interviews with these men, I'm always struck by how little psychological content they exhibit in describing why they did what they did. They always seemed to be driven by simple needs, like male-bonding. They would joke about it afterwards over a beer."

The first previews of the work, Mr. Kentridge added, were in Weimar, Germany, and the reactions there suggested that its view of evil — clumsily brutal deeds committed in the service of a calculating state — is universal. "People said it was a perfect example of what was discovered when the Stasi's files were released," he said, referring to the East German secret police. "And we had one woman from Romania who came up, extremely moved. She was convinced the play was completely local — and about Romania."



Adam Wolpe/The New York Times

Buxi Zokufa, left, and Dawid Minaar in 'Ubu and the Truth Commission.' A few writers have plucked lifelines of plot from the torrent of national catharsis.

Peru Allegedly Tapped A Candidate's Phone

The Associated Press

LIMA — *Government agents eaves*dropped on telephone conversations of Javier Perez de Cuellar, a former UN secretary-general, when he ran for president of Peru in 1995, a television station has reported.

Mr. Perez de Cuellar, who lost to Alberto Fujimori in the April 1995 election, called the reported espionage "*criminal*" *and said he would urge the* attorney general to investigate the reports and punish anyone responsible.

The wiretap allegations have cast doubt on the election's fairness and could further erode the credibility of Mr. Fujimori, who is facing increasing complaints that his government is corrupt and authoritarian.

"They have blatantly violated electoral law, the constitution and my human right to privacy," Mr. Perez de Cuellar said at a news conference Monday. "The government must investigate and punish the criminals responsible."

He also said that the allegations supported suspicions he had harbored of dirty play during the election. "We were convinced at the time there were serious irregularities," he said.

Channel 2 television first reported on the election-season wiretapping in mid-July, when it released 197 taped conversations it said it received from an anonymous source. Conversations included those of journalists, businessmen and politicians, including a former foreign minister, Francisco Tudela.

On Sunday, the station for the first time released conversations of Mr. Perez de Cuellar, made from his home from October 1994 to August 1995. The 1,000 or so conversations involved Mr. Perez de Cuellar's political associates, friends, *relatives and even the family* maid. Mr. Perez de Cuellar's home served as campaign headquarters for his Union for Peru coalition.

The government has denied that intelligence agents wiretapped phones, and said it wants the allegations investigated.

In the 1995 election, Mr. Fujimori received 64 percent of the vote and Mr. Perez de Cuellar won 22 percent.

"What is painful is that they invaded not only my political life, but my private life," Mr. Perez de Cuellar said.

Tokyo's the Priciest City And Hong Kong Is Next

The Associated Press

GENEVA — Tokyo's still at the top, but high housing costs and a strong currency have made Hong Kong the second most expensive city for foreigners spending dollars to live, according to a survey published Tuesday.

Eight of the 10 priciest cities for expatriates are in Asia, including No. 4 Osaka, Japan, and fifth-ranked Beijing. The only European city in the top five was Moscow — No. 3 because of the high cost of Western-style amenities.

The study was conducted by a private company in Geneva, Corporate Resources Group. It compared the costs of more than 200 items relevant to foreigners living abroad, including housing, food, clothing, cars, drink and entertainment.

New York, with an index of 100, was used as the starting point, and was the most expensive American city on the list.

Tokyo had a rating of 169 points, while Osaka — traditionally in second place behind the Japanese capital — dropped to fourth with 148. A weakened yen against the dollar dropped both about 15 points from last year.

The strong dollar also meant that European cities became comparatively cheaper. For instance, all German cities ranked below New York while the traditionally expensive Swiss cities of Geneva and Zurich dropped out of the top 10 for the first time.

London, by contrast, rose 14 slots to be ranked 14th, largely because of the strength of sterling and housing costs.

In international terms, North American cities became slightly more expensive than a year ago because of the dollar. New York, ranked 38th last year, moved up to 31st.

D.C. Airport Outage Not Risky, U.S. Says

The Associated Press

WASHINGTON — U.S. aviation officials said safety was not compromised when lightning knocked out the main radar system at National Airport outside Washington on Monday, but an air traffic controllers' association called the *backup system "inadequate."*

The system stopped working at 1:08 P.M., forcing controllers to switch to backup radar at nearby Andrews Air Force Base until technicians restored National's system at 3:30 P.M.

But the National Air Traffic Controllers Association said "controllers found the secondary system inadequate" and warned that future outages could cause major delays.

As Italian Rail Apologizes, Another Mishap

Reuters

ROME — The state railways promised Tuesday to compensate passengers after a weekend of travel chaos.

But attacks on the government's transportation policy grew after another rail accident Monday took three lives.

In an advertisement in Italy's major daily newspapers, the state railway system FS promised to mail a free ticket to everyone who could prove they had traveled by train through Rome and Naples over the weekend, when rail travel was brought to a standstill by a derailment and a construction accident.

"FS apologizes to its clients for the enormous disruption," the full-page ad said.

The weekend's woes were compounded Monday night, when an express train slammed into an automobile at a crossing near Rome, killing two people, including a pregnant woman. A third person died later in the hospital.

News reports said the accident may have been caused by an overload of traffic on the route related to the havoc of the past weekend — one of the busiest of the year, as tens of thousands of Italians began their August breaks.

"Black August for the Railroads" was the top headline in more than one major Italian daily.

"This is what happens when plans and projects are concerned only with balance sheets and do not place at the center of attention the interest of and respect for people," the Vatican newspaper Osservatore Romano said.

Prime Minister Romano Prodi, Transport Minister Claudio Burlando and the railway system's president, Giancarlo Cimoli, all under attack over the accidents, held an emergency meeting Tuesday.

The chaos began when a train jumped the tracks in Rome on Saturday, injuring four passengers; then a crane working to remove it collapsed Sunday, blocking the main links that connect northern and southern Italy.

Tens of thousands of travelers passing through Rome were crammed onto buses that ferried them between trains. Some were stranded at stations for as long as 12 hours.

TRAVEL UPDATE

Airline Talks Collapse in Nairobi

NAIROBI (Reuters) — Airlines flying to and from Kenya canceled, diverted or rescheduled flights on Tuesday, the fourth day of a work slowdown by air traffic controllers.

Aviation officials said talks collapsed Monday when the air controllers rejected a government request to return to work and give officials two weeks to study their demands for more pay and benefits.

They said the air controllers might step up their action, which began Friday. Kenya Airways canceled six flights Tuesday and Wednesday. A Saudi Arabian Airlines flight was turned away and others have been diverted to Tanzania and Ethiopia.

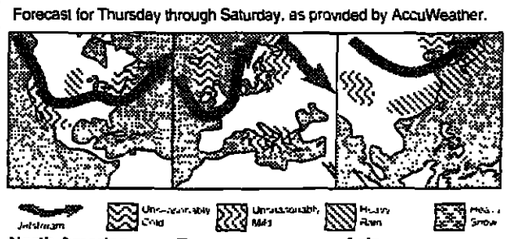
French Resort Opens War on Dogs

DEAUVILLE, France (AFP) — The authorities here have opened a war on dog droppings to keep the beaches clean.

Distributors provide a paper bag and a spade, and signs ask dog owners to "head for the nearest bin."

WEATHER

Forecast for Thursday through Saturday, as provided by AccuWeather.



Jetstream · Unseasonably Cold · Unseasonably Mild · Heavy Rain · Heavy Snow

North America
Heat will continue for much of the West Thursday through Saturday. A storm will drop through central Canada producing showers and thunderstorms from Manitoba south to the northern Plains. Cool weather will move out of the Northeast, but it should remain pleasant.

Europe
Abnormally warm and dry weather will continue for much of Scandinavia Thursday through Saturday as high pressure remains in firm control. Damp and cool weather will return to the United Kingdom. It will be hot across the Mediterranean region from Italy to Greece. Not as hot in Madrid.

Asia
Typhoon Tina will move towards southern Japan Thursday. It will bring rain and high winds to parts of Shikoku and southern Honshu Thursday night or Friday. Hot weather will persist across western China. Thunderstorms will dampen southeastern China. Monsoon rain will continue over India near Bombay.

Europe

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Algarve	33/73	19/66 s	33/73	14/57 pc
Amsterdam	27/80	17/62 s	26/79	18/64 r
Ankara	27/80	9/48 pc	27/80	12/53 pc
Athens	30/86	22/71 s	32/89	22/71 pc
Barcelona	26/79	19/66 s	27/80	20/71 c
Belgrade	31/88	16/61 pc	28/82	16/61 pc
Berlin	26/79	15/59 pc	25/77	17/62 pc
Brussels	28/82	17/62 pc	27/80	18/64 r
Budapest	27/80	14/57 c	27/80	17/62 sh
Copenhagen	23/73	14/57 pc	23/73	16/61 pc
Costa Del Sol	26/79	15/59 s	26/79	17/62 s
Dublin	21/70	12/53 sh	23/73	14/57 sh
Edinburgh	24/75	13/55 s	24/75	17/62 pc
Florence	32/89	17/62 pc	32/89	19/66 s
Frankfurt	25/77	14/57 pc	24/75	16/61 pc
Geneva	31/88	17/62 pc	30/86	18/64 pc
Helsinki	25/77	13/55 s	23/73	14/57 pc
Istanbul	30/86	19/66 pc	29/84	18/64 pc
Kiev	23/73	13/55 c	23/73	14/57 c
Las Palmas	24/75	17/62 pc	25/77	18/64 s
Lisbon	31/88	14/57 c	29/84	15/59 pc
London	25/77	18/64 pc	27/80	17/62 r
Madrid	35/95	13/55 pc	31/88	16/61 pc
Mallorca	28/82	21/70 s	27/80	23/73 c
Milan	33/91	20/68 pc	31/88	21/70 pc
Moscow	23/73	13/55 c	23/73	14/57 pc
Munich	24/75	12/53 pc	24/75	15/59 pc
Nice	30/86	22/71 pc	28/82	22/71 pc
Oslo	26/79	16/61 pc	25/77	16/61 pc
Paris	29/84	16/61 sh	27/80	16/61 sh
Prague	24/75	12/53 c	24/75	13/55 pc
Reykjavik	12/53	8/46 sh	11/52	4/39 r
Riga	24/75	15/59 c	23/73	16/61 pc
Rome	31/88	20/68 s	31/88	22/71 pc
St Petersburg	23/73	14/57 pc	23/73	15/59 s
Stockholm	23/73	14/57 s	23/73	16/61 pc
Strasbourg	30/86	16/61 pc	21/84	17/62 sh
Tallinn	22/71	13/55 s	24/75	14/57 pc
Tbilisi	29/82	24/68 sh	28/82	19/66 c
Vienna	29/84	14/68 pc	27/80	21/70 c
Warsaw	27/80	15/59 pc	27/80	18/64 pc
Zurich	22/71	13/55 s	24/75	13/55 pc

Middle East

Abu Dhabi	40/104	27/80 s	39/102	27/80 s
Beirut	24/75	20/68 pc	24/75	22/71 pc
Cairo	33/91	21/70 s	35/95	21/70 pc
Damascus	26/79	13/55 s	28/84	17/62 s
Jerusalem	25/77	14/57 s	27/80	16/61 pc
Luxor	41/106	19/66 s	39/102	22/71 s
Riyadh	42/107	23/73 s	40/104	27/80 s

Asia

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Almaty	36/97	15/61 s	36/97	18/64 s
Bali	31/88	20/68 s	30/86	21/70 s
Bangkok	31/88	26/79 r	33/91	25/79 pc
Beijing	35/95	25/79 pc	34/93	28/82 c
Bombay	28/82	25/77 r	28/82	25/77 c
Calcutta	31/88	25/77 r	31/88	28/79 sh
Cheiang Mai	31/88	24/75 r	33/91	24/75 pc
Colombo	29/84	25/77 pc	28/82	24/75 c
Hanoi	31/88	23/73 t	33/91	27/80 pc
Ho Chi Minh	32/89	23/73 sh	31/88	24/75 r
Hong Kong	29/84	27/80 t	31/88	26/79 pc
Islamabad	42/107	27/80 s	41/106	27/80 t
Jakarta	31/88	23/73 pc	30/86	23/73 pc
Karachi	34/93	27/80 s	33/91	27/80 pc
K. Lumpur	32/89	23/73 pc	31/88	23/73 pc
K. Kinabalu	31/88	21/70 pc	30/88	23/73 pc
Manila	31/88	23/73 pc	30/86	24/75 pc
New Delhi	37/98	27/80 pc	35/95	26/79 sh
Phnom Penh	32/89	23/73 r	32/89	24/75 c
Phuket	31/88	26/79 r	33/91	26/79 pc
Rangoon	31/88	26/79 r	33/91	26/79 pc
Seoul	31/88	22/71 s	31/88	24/75 pc
Shanghai	33/89	26/79 r	34/93	28/82 t
Singapore	31/88	22/71 pc	31/88	23/73 pc
Taipei	33/91	26/79 c	33/91	27/80 c
Tokyo	28/82	26/79 sh	29/84	26/79 pc
Vientiane	31/88	28/82 t	33/91	28/82 pc

North America

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Anchorage	19/66	12/53 sh	21/70	12/53 pc
Atlanta	30/86	19/66 s	28/82	19/66 pc
Boston	24/75	14/57 s	22/71	14/57 pc
Chicago	28/79	13/55 sh	24/75	14/57 pc
Dallas	35/95	21/70 pc	31/88	21/70 pc
Denver	33/91	12/53 sh	26/79	12/53 t
Detroit	23/73	14/57 pc	22/71	13/55 pc
Honolulu	30/86	24/75 s	30/86	24/75 pc
Houston	36/97	22/71 pc	33/91	21/70 pc
Los Angeles	34/93	21/70 t	34/93	19/66 pc
Miami	33/91	25/77 pc	33/91	25/77 t
Minneapolis	26/79	15/59 pc	24/75	15/59 pc
Montreal	21/70	10/50 pc	19/66	11/52 pc
Nassau	33/91	24/75 pc	33/91	25/77 t
New York	28/79	17/62 s	27/80	18/64 pc
Orlando	33/91	23/73 sh	33/91	23/73 t
Phoenix	42/107	29/84 s	41/106	28/82 pc
San Fran.	28/82	15/59 s	27/80	16/61 pc
Seattle	27/80	14/57 s	24/75	14/57 pc
Toronto	21/70	9/48 sh	19/66	9/48 pc
Vancouver	25/77	12/53 s	23/73	13/55 pc
Washington	27/80	16/61 pc	28/82	17/62 pc

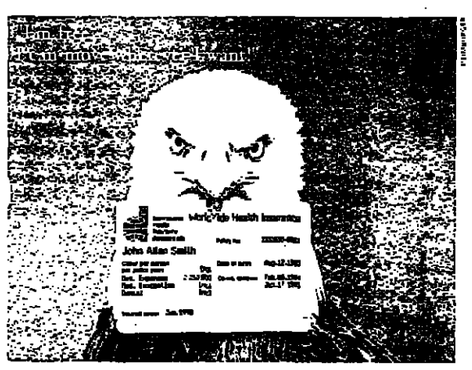
Latin America

Buenos Aires	8/46	-2/29 s	8/46	-2/29 pc
Caracas	31/88	24/75 t	32/89	24/75 pc
Lima	20/68	17/62 pc	20/68	16/61 pc
Mexico City	23/73	13/55 pc	24/75	13/55 pc
Rio de Janeiro	22/71	16/61 pc	21/70	16/61 pc
Santiago	18/64	4/39 pc	14/57	0/32 pc

Oceania

Auckland	10/50	4/39 pc	11/52	5/41 pc
Sydney	16/61	8/46 pc	17/62	11/52 c

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, rain/sn-Weather. *All maps, forecasts and data provided by AccuWeather, Inc. © 1997*



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THE AMERICAS

Call for Official Apology on Slavery Rips Open Racial Wounds

By Michael A. Fletcher
Washington Post Service

WASHINGTON — Not long ago, Representative Tony Hall saw a congressional apology for slavery as a simple and moral starting point for a new effort to heal the nation's gaping racial wounds.

But since the Ohio Democrat broached the idea almost two months ago, it has fallen victim to all the contentiousness and misunderstanding that characterizes the worst of American race relations. Few legislators have embraced the measure, and even Mr. Hall now concedes the idea is virtually dead. What he has left is hundreds of letters and phone messages, most condemning his idea, often with harsh racial language.

One man wrote that the government should apologize to him for stripping his great-grandfather of his 435 slaves. Some said African-Americans should be thankful that slave traders rescued their ancestors from Africa. Others argued that their ancestors are immigrants who had no connection to slavery or that, beginning with the 350,000 Union soldiers who perished in the Civil War, the nation has done more than enough to atone for slavery. Many African-American leaders rejected the idea, too, saying it would be meaningless without a well-funded effort to repair the damage.

"The reaction has stunned me," said Mr. Hall, a white congressman from a predominantly white district who once fasted for three weeks to protest the demise of the House Select Committee on Hunger. "If we can't do something as simple as saying we're sorry, we've got a long way to go."

In the weeks since Mr. Hall offered his one-sentence resolution suggesting that Congress apologize for slavery, it has become evident that the notion of forgiveness is a powerful thing in America.

"An apology is a much more complex and powerful phenomenon than most people realize," said Susan Heitler, a clinical psychologist in Denver.

Many whites say an apology needlessly dredges up a horrible but long-closed chapter of history, while ignoring the nation's vast racial progress. Many blacks, meanwhile, see an apology without some form of compensation as hollow symbolism.

"An apology by definition admits one's own responsibility for wrongdoing," said Susan Fiske, a psychologist at the University of Massachusetts, Amherst. "An apology for slavery would say it may not have been me but it was my people or my government that did this and we now see that it was really a crime and a sin. It is potentially healing. It shares responsibility for ending racism and it acknowledges that slavery has some relevance to today."

Shortly after Mr. Hall's proposal, President Bill Clinton expressed some interest in the idea, saying that "an apology, under the right circumstances, those things can be quite important."

Subsequently, Mr. Clinton has been noncommittal on the subject.

Yet the power of an apology has not been lost on Washington. In 1988, Congress apologized and paid reparations to Japanese-Americans who were interned in the United States during World War II. Two years later, Congress apologized to uranium miners and those contaminated by nuclear tests in Nevada. And in 1993, Congress apologized to native Hawaiians for the role of the United States in overthrowing the Hawaiian government a century earlier.

'If we can't do something as simple as saying we're sorry, we've got a long way to go.'

Earlier this year, Mr. Clinton apologized to the victims of Cold War radiation treatments and to the black men who were left untreated for syphilis in the infamous Tuskegee experiment.

But an apology for slavery is different, some say, because it cuts so close to the nation's black-white divide. Indeed, public sentiment toward the idea varies sharply depending on one's race. Two recent Gallup polls found that two out of three whites oppose the idea of a congressional apology, while two out of three blacks support the proposal.

"It raises all sorts of emotions," said Andrew Hacker, a Queens College political scientist. "Many white people don't want to hear any more about obligations that have not been fulfilled. People say, 'We have done everything we have to do. We had affirmative action. We supported civil rights. Don't call us anymore.' I sense a lot of that feeling out there."

While the idea has found grass-roots support among African-Americans, it has received little public backing from prominent African-American leaders. Only three black members of Congress are among the resolution's 18 co-sponsors, and many prominent civil-rights leaders see the measure as a cheap political gesture.

"It is like you drive over somebody with a car, leave the body mangled, then you decide to come back later to apologize with no commitment to help them get on their feet," said Jesse Jackson. "There is something empty in that. It is just more race entertainment."

Many African-Americans believe the nation should pay monetary reparations to the descendants of slaves. For years, Representative John Conyers Jr., Democrat of Michigan and the dean of the Congressional Black Caucus, has sponsored legislation to establish a committee to study reparations. Also, the National Association for the Advancement of Colored People has passed resolutions in support of reparations, including one at its recent national convention. But the idea has never gotten anywhere.

Some of Mr. Clinton's advisers, wary of the criticism from both the left and the right, think the country is not ready to apologize for slavery.

"My view is that the moral force of an apology depends upon understanding," said Christopher Edley, a Harvard University law professor who advises Mr. Clinton on racial matters. "But people disagree sharply about the extent of racism today and the relationship of it to slavery. So, a presidential apology would be a cynical political gesture without more understanding."

But supporters of an apology say that much of the debate misses the point, and consequently, the potential power of an apology.

"An apology is a simple offer resulting in a simple acceptance," said Representative Sheila Jackson Lee, Democrat of Texas, one of the three black co-sponsors of Mr. Hall's resolution. "It is simply the reasoned and right thing to do. It doesn't say, 'Don't ask me for anything else.' For that matter, it doesn't have to be accepted."

But Ms. Heitler said for an apology to be meaningful it must include not only an expression of regret but a plan to repair the damage — a proposition that vastly complicates any apology.

Panel Urges Abolishing Immigration Agency

By Eric Schmitt
New York Times Service

WASHINGTON — In an effort to improve the U.S. immigration system, a federal advisory panel has decided to recommend abolishing the troubled Immigration and Naturalization Service and assigning its duties to other government agencies.

Declaring that the service suffers from "mission overload," the U.S. Commission on Immigration Reform is proposing that the Justice Department, the immigration service's parent agency, retain responsibility for controlling the border and removing illegal immigrants.

The State Department, which handles visas through U.S. embassies overseas, would handle immigration services and benefits, like citizenship requests. The Labor Department, which monitors wage and hour laws, would also enforce rules covering the hiring of foreign workers, according to a draft copy of the report, "Structuring, Organizing and Managing an Effective Immigration System," obtained by The New York Times.

"It's very hard for one agency with so many conflicting missions and so much fragmentation to have priorities set and missions realized," said Bruce Morrison, a commission member and a former Democratic representative from Connecticut, explaining the reasoning for dismantling the immigration service.

Democrats and Republicans in Congress who have been briefed by the commission in the last few weeks generally embrace the proposal to separate along functional lines the disparate immigration duties. But the immigration service and the Justice Department are gearing up to fight the proposal.

"We're against splitting up INS," a Justice spokeswoman said. "We believe the enforcement functions and benefits functions really do work hand in hand."

The proposal comes as Congress and many of the nation's governors are growing increasingly exasperated with the immigration service's inability to cope with soaring requests for citizenship, weed out criminal aliens living in the United States and crack down on the steady stream of illegal immigrants entering the country.

"The message to the administration is that this is not about rearranging deck chairs on a sinking ship, it's about getting results," said Allen Kay, a spokesman for Representative Lamar Smith, the Texan who heads the Judiciary subcommittee on immigration and has been briefed on the proposal.

The House Appropriations Committee directed Attorney General Janet Reno last month to review the commission's report and, along with other federal agencies, "develop a restructuring plan" for more efficient handling of immigration.

Led by Harold Rogers of Kentucky, the head of the Appropriations subcommittee that oversees the Justice Department, House members are urging the administration to act on the proposal by October 1998. The commission's report is to be released by late September.

The scope of the panel's recommendations has surprised many senior administration officials. Policy-makers who have been briefed on the commission's findings, including Patrick Kennedy, the acting undersecretary of state for management, declined to comment on the conclusions. Privately, though, administration officials said the report would be a starting point for a spirited debate on how to manage the burgeoning immigration system.

Officials at the immigration service, one of the fastest-growing agencies in the government — its budget has doubled to $3.1 billion this fiscal year from four years ago — said the commission's proposal would reverse this financial investment and ignore improvements the agency had made in recent years in response to congressional criticism.



Kevin Wea/The Associated Press

SMOKE AND ASH AGAIN — Soufriere Hills Volcano in Montserrat erupting in the newest explosions in a year of activity at the formerly dormant Caribbean site. A blast early Tuesday led hundreds to flee.

Note Said to Demand Militants' Release

The Associated Press

NEW YORK — A note allegedly written by one of the men charged in an apparent plot to bomb a New York City subway reportedly demanded the release of six jailed Islamic or Arab militants, including two men on trial for the 1993 World Trade Center bombing.

According to unidentified sources cited Monday on ABC's World News Tonight, the note spouted hatred for Jews and demanded the release of Ramzi Ahmed Yousef and Eyad Ismoil, who are on trial for the trade center bombing.

Investigators found the note in a Brooklyn apartment occupied by Gazi Ibrahim Abu Mezer, 23, and Lafi Khalil, 22, hours after they were captured in a predawn raid Thursday. ABC had reported earlier that Mr. Abu Mezer wrote the note.

According to the reports, the note found in the apartment also demanded the release of other prisoners, including Sheikh Omar Abdel Rahman, now serving a life sentence in the United States for directing a conspiracy to bomb New York landmarks, and Sheikh Ahmed Yassin, spiritual leader of the Islamic radical group Hamas, who is being held in Israel.

Mayor Rudolph Giuliani said Monday that the raid on the apartment could have left scores dead if one of the suspects had managed to trigger a bomb at his bedside. The man tripped one of four switches but was shot before he could flip the other three, the mayor said.

The bomb, he said, probably would have killed eight police officers in the building and many other people in the area — even though about 90 people had been evacuated from nearby buildings.

The suspects were under heavy FBI guard at Kings County Hospital Center, where they were arraigned on charges of plotting to bomb a New York subway station and other locations.

They both are recovering from multiple gunshot wounds, their lawyers said.

The mayor and Senator Alfonse D'Amato, Republican of New York, are demanding that federal immigration officials explain how Mr. Abu Mezer and Mr. Khalil got into the United States.

"Not only does this defy the principles of good public policy, it defies common sense," they said in a letter to Doris Meissner, commissioner of the U.S. Immigration & Naturalization Service.

Officials from the immigration agency did not immediately return a call seeking comment.

Gene Finding May Restore Curing Powers Of Antibiotics

The Associated Press

WASHINGTON — Doctors once could control meningitis cases with a common antibiotic — until the bacteria mutated and could overpower the drug in some cases.

But in a study published Tuesday, researchers say they have found a way to turn off the genes that make bacteria resistant.

"This method could restore the full usefulness of today's front-line antibiotics, thus bypassing the tremendous expense of developing new antibiotics," said a Nobel Prize laureate, Sidney Altman, who led the Yale University team that made the discovery.

A report is being published in the Proceedings of the National Academy of Sciences.

The team found a way to insert artificial genes into bacteria, making the germs sensitive to two widely used antibiotics, chloramphenicol and ampicillin.

Mr. Altman cautioned, however, that the technique has been demonstrated only in laboratory cultures and could require five more years before it is ready for testing in human patients.

Antibiotic resistance has become a growing medical concern in recent years. For instance, the bacteria that causes meningitis once was routinely controlled with ampicillin, a commonly prescribed antibiotic. Now, about 20 percent of such infections resist ampicillin.

U.S. Approves Brain Implant

Los Angeles Times Service

WASHINGTON — The Food and Drug Administration has approved a bold, "deep brain" implant that promises to ease the uncontrollable tremors experienced by thousands of patients with Parkinson's disease and another, equally disabling disorder called "essential tremor."

The deep-brain stimulator, which has been available in Europe for several years, has enabled many patients once again to eat, drink, write and perform an array of daily activities by themselves, said Michael Friedman, acting commissioner of the Food and Drug Administration.

The device, an electrode that emits a steady stream of electrical pulses, has proved particularly effective for patients with severe essential tremor.

It has also significantly reduced tremors among Parkinson's patients, but because it does not treat other symptoms of the disease, it produced less dramatic effects on their quality of life.

POLITICAL NOTES

Clinton Signs Budget Law

WASHINGTON — In a moment that all agreed was too long delayed, President Bill Clinton on Tuesday signed into law a balanced federal budget and tax breaks for Americans that he vowed would "renew our nation and restore its promise."

At his side as he signed was the speaker of the House, Newt Gingrich, Republican of Georgia, who said he does not intend to abandon the spirit of cooperation that led to the agreement.

"This has been a long time coming," Mr. Gingrich said. "We have proved together that the American constitutional system works, that slowly, over time, we listen to the will of the American people."

Mr. Clinton hailed the new laws as "a true milestone for our nation," not only for what they do, but for the way they came to be: after Democrats and Republicans abandoned their political grudges and worked in good faith for the benefit of ordinary taxpayers.

"Like every generation of Americans before us, we have been called upon to renew our nation and to restore its promise," he said. "In common, we were able to transform this era of challenge into an era of unparalleled possibilities for the American people."

The legislation calls for balancing the federal budget by 2002 and trimming taxes by $152 billion over five years, the largest tax cut since 1981. It provides health care funding for uninsured children, tax credits for college tuition and assistance to blighted inner cities. *(AP)*

Reno Hits Senate on Judges

SAN FRANCISCO — Attorney General Janet Reno accused the Senate on Tuesday of an "unprecedented slowdown" in confirming President Bill Clinton's nominees for federal judgeships, saying the delay was harming the justice system.

She said the framers of the Constitution "did not intend Congress to obstruct the appointment of much-needed judges, but rather simply to ensure that well-qualified individuals were appointed to the federal bench."

Ms. Reno also deplored escalating criticism of judges — including calls for impeachment over controversial rulings — that she said seeks to "undermine the very credibility of the judiciary."

Reno has previously appealed to the Senate to speed up its confirmation of judicial nominees. But Tuesday's speech, prepared for delivery to an American Bar Association convention, was particularly direct.

There are 101 vacancies among about 800 federal district court and appeals court judgeships — 12 percent of the judiciary. The Senate confirmed 17 federal judges last year and nine so far this year. *(AP)*

Quote/Unquote

Mary Jo McGrath, a lawyer from Santa Barbara, California, on the widespread legal difficulties of forcing bad teachers out of the classroom: "Dismissing an incompetent teacher makes the O.J. case look like a cakewalk. Unless a teacher gets caught selling drugs or in bed with a student, most school administrators don't take action." *(NYT)*

Away From Politics

A gunman aimed his pistol at a security guard in the Pentagon and demanded to see an admiral. He was disarmed and taken into custody. *(AP)*

A small plane crashed into a house in New Richmond, Wisconsin, killing two people aboard. In Poygan, Wisconsin, a single-engine plane crashed into a field, also killing two. *(AP)*

A toxic spill at a paint factory in Chicago forced thousands of people to flee their homes, schools and workplaces. *(AP)*

A Marine stationed in Oceanside, California, was jailed in connection with the shooting deaths of two Marines. *(AP)*

A gunman held his ex-girlfriend hostage in Indianapolis, keeping police at bay for three hours, before releasing her and killing himself. *(AP)*

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ASIA/PACIFIC

Taiwan Battles China to Keep Its Influence in Central America

By Larry Rohter
New York Times Service

PANAMA CITY — No sooner had China regained Hong Kong last month than Taiwan's foreign minister embarked on a three-week, 11-nation tour to shore up ties with his country's closest allies.

His first stop was Honduras, where he and his Central American counterparts issued a joint declaration condemning China's designs on Taiwan.

Though half a world away from East Asia, Central America has in recent years emerged as one of the main battlegrounds in the decades-old diplomatic struggle between China and Taiwan.

Now, with Hong Kong under Chinese control, the scope and intensity of the contest between Communist Party leaders in Beijing and the prosperous island they regard as a renegade province have rapidly escalated in this region.

Of the 30 countries that recognize the Republic of China on Taiwan, rather than the People's Republic of China in Beijing, as the legitimate government of China, 14 are in Central America and the Caribbean. Taiwan's influence and generosity throughout the region are widespread and have led to increasingly conspicuous efforts by Beijing to neutralize that advantage.

For Taiwan, relations with Central America and the Caribbean provide both political legitimacy and a promising market for trade and investment. This region's trade with China and Hong Kong is also booming, but China has been markedly less successful, until recently, in persuading countries to recognize Beijing — a move that would weaken Taiwan's international standing.

"There have been rumors that after the first of July, perhaps the relations between my country and the nations of Central American and the Caribbean would be affected," John Chang, Taiwan's foreign minister, said in an interview during a visit to Panama City, referring to the date when Hong Kong came under Chinese control.

"But those relations are solid and quite cordial, and I have come precisely to seek a better and more effective way to deepen them and increase our mutual support in the international arena."

The maneuvering is intense and focuses on the Panama Canal, which the United States is scheduled to hand over to Panama on Dec. 31, 1999. China is the fifth-largest user of the waterway, while Taiwan has cultivated a close relationship with the Panamanian government and has made large investments here, including an industrial park and a container port at a former American submarine base.

"The Chinese, both China and Taiwan, have spotted an opening and are trying to exploit it," an American military official in Panama City said. "The United States is leaving Panama, there's a void, and each wants to fill it."

The maneuvering focuses on the Panama Canal, which the U.S. is leaving in 1999.

To increase its limited leverage in the region, China has not hesitated to brandish Hong Kong. Even before assuming control of the former British colony, Beijing warned nations that recognized Taiwan that they would have to close their consulates and negotiate new arrangements if they wished to maintain a diplomatic presence in Hong Kong.

That alarmed many governments in this region that had made millions of dollars selling visas or passports to Chinese from Hong Kong and the mainland. Typically, a relative or close friend of a president is appointed consul general in Hong Kong, and a healthy percentage of the revenue from passport and visa sales flows back into the pockets of top government officials.

In Panama's case, there is also an implicit threat to the lucrative business of ship registrations. Panama is the flag of convenience flown by thousands of ships around the world, including many owned by Hong Kong or Chinese fleets.

In the past, those fleets have often registered their vessels and crew members through the Panamanian consulate in Hong Kong; but now they may be tempted to turn to the Bahamas, a competitor that broke relations with Taiwan in July.

Taiwan, however, is fighting back, casting out its own lures. In his meeting with Central American foreign ministers, Mr. Chang indicated that Taiwan might be willing to hire Central Americans to replace its estimated 240,000 "guest workers" who currently come from the Philippines, Thailand, Malaysia, Indonesia and other countries that recognize Beijing.

"At the moment it is just an idea, but I think it is a very good idea," he said. "Not only does it help create jobs in countries that are our friends; at the same time, it satisfies my country's need for a larger work force."

During the meeting in Honduras, Mr. Chang indicated that Taiwan was willing to contribute $100 million to a regional economic development fund. The countries of Central America said they supported Taiwan as "a sovereign country" and that only "peaceful means should be used to reach national unification." They also agreed to a summit meeting with President Lee Teng-hui in September in El Salvador.

With the United States now reducing its aid to the region, signs of Taiwan's largesse are an ever more visible part of the Central American landscape. Police cars and garbage trucks in Haiti, for instance, proclaim in French that they have been "donated by the Republic of China on Taiwan," as do the trash cans in Castries, the capital of the Caribbean island of St. Lucia.

Missions from Taiwan have helped increase rice yields and organized fishing and agricultural diversification projects. Taiwan also helps pay the operating costs of several foreign ministries and police forces in the region and regularly sponsors trips by government officials, military officers and journalists to Taiwan for training courses or "familiarization visits."

A result, in both Central America and the Caribbean, has been a sense of admiration for and identification with Taiwan. The transition of a small and threatened island from poverty to affluence, and from an authoritarian government to democracy, has impressed heads of state throughout this region.

"They definitely have been a model for us," Denzil Douglas, the prime minister of St. Kitts and Nevis, the smallest country in the Western Hemisphere, said in an interview.

China's hard-line approach to the region, in contrast, seems to emphasize the stick much more than the carrot, and those hardball tactics appear to have generated resentment.

"You gringos have pushed us around for 150 years, and we never liked it," said the foreign minister of one Central American country, "so what makes the Chinese think that kind of great-power arrogance would be any more palatable coming from them?" For them to tell us not to recognize Taiwan is no different than Washington saying we shouldn't have relations with Cuba."

BRIEFLY

South Korea Cabinet Gets Some New Faces

SEOUL — President Kim Young Sam reshuffled half of his 22-member cabinet on Tuesday but retained the key ministers of defense, foreign affairs and economy.

The 24th reshuffle since Mr. Kim came to power in 1993 replaced ministers who also hold posts in the governing New Korea Party so they could concentrate on the presidential election in December.

The presidential spokesman, Yoon Yeo Joon, became environment minister, and the chief secretary in charge of government affairs, Shim Woo-Young, was named government administration minister. New people were named to head the ministries of justice, home affairs, agriculture and forestry, education, health and welfare, maritime affairs and fisheries. *(AFP)*

China Activist Urges Trial of Ex-Party Aide

BEIJING — A Chinese dissident issued a daring call on Tuesday for the disgraced Beijing leader Chen Xitong to be brought to justice, blaming him for the 1989 crackdown on democracy protests.

In an open letter to the leader of China's National People's Congress, the dissident, Jin Cheng, 38, said Beijing residents were awaiting a public accounting for Mr. Chen's actions.

Mr. Chen was removed from his posts as Beijing Communist Party secretary and as a Politburo member during a corruption scandal in 1995.

He should be held responsible for his part in the scandal and for his role in the crushing of student-led demonstrations in Beijing on June 4, 1989, Mr. Jin wrote.

Mr. Chen, he asserted, had misrepresented the motives and goals of the demonstrators, prompting leaders to order an army assault. *(Reuters)*

Beijing Reply Is Cool On Talks With Taipei

TAIPEI — A leading Chinese negotiator turned a cold shoulder Tuesday to calls here for resumption of talks that Beijing suspended in retaliation for a visit by President Lee Teng-hui to the United States in mid-1995.

"Certain conditions and atmosphere are required if talks are to reopen," said Liu Gangqi, the highest ranking Chinese official to visit the Taiwan in more than two years.

Taiwan, he said, "must move back to the one-China principle." Mr. Liu is deputy secretary-general of China's quasi-official Association for Relations Across the Taiwan Straits.

China has asserted that Mr. Lee's trip was made to promote formal independence for the island. Mr. Lee has denied the charge. *(AFP)*

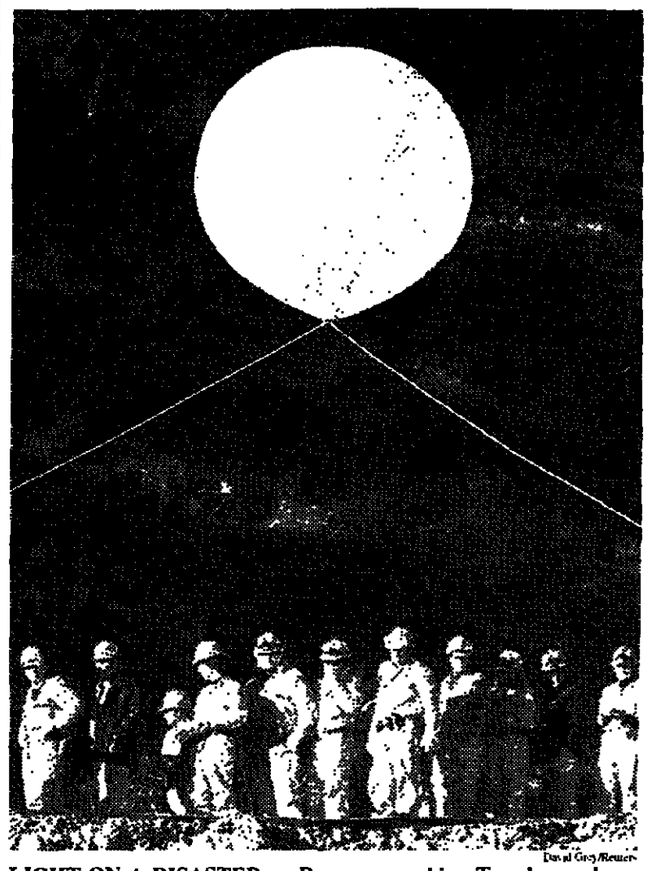
For the Record

Prime Minister Ryutaro Hashimoto of Japan will visit Russia in early November for talks with President Boris Yeltsin aimed at improving bilateral relations, a diplomatic source in Tokyo said Tuesday. *(Reuters)*

Japan is to station a diplomat in North Korea for the first time, assigning an envoy to the office of a U.S. led consortium that is building nuclear reactors for Pyongyang, Japanese Foreign Ministry officials said. *(AFP)*

Thailand's navy has taken delivery of an aircraft carrier, the Spanish-built HTMS Chakri Naruebet, the first carrier to be commissioned by a Southeast Asian country, a Thai Navy spokesman said. *(AFP)*

China has lifted a travel ban on about 8,000 mainland cadres working in Hong Kong, allowing them to take vacations and business trips following the territory's smooth July 1 handover, the Chinese-language Apple Daily said. *(AFP)*



Daniel Grey/Reuters

LIGHT ON A DISASTER — Rescuers working Tuesday under a helium balloon that lit the site where two ski lodges were crushed by a landslide at Thredbo, southwest of Sydney. A survivor was pulled out 64 hours later. Ten people were dead and eight were missing.

North Korea Embraces Armistice as Talks Open

Compiled by Our Staff From Dispatches

SEOUL— In a dramatic reversal hours before the opening of preparatory peace talks in New York, North Korea said Tuesday that it was ready to abide by the 1953 armistice that ended the Korean War until a new peace mechanism came into effect.

The statement, attributed to a Foreign Ministry spokesman, was carried by the official North Korean press agency, KCNA, and came just before the four-party talks began.

"As a matter of course, we think the Korean armistice agreement should be maintained until a new institutional mechanism is established to replace the present armistice body," the spokesman said.

The statement was a reversal of the stance North Korea took on June 24, 1995, when it declared the armistice agreement "dead" in an apparent effort to pressure the United States into a bilateral peace agreement, bypassing Seoul.

The about-face appeared to augur well for the talks, which got under way Tuesday at Columbia University in New York and brought together the two Koreas, the United States and China.

The meeting has a limited agenda: to set a date, time, place and agenda for the opening of substantive negotiations, probably in September. The United States and South Korea want the four governments to negotiate a permanent settlement to replace the 1953 armistice.

The preliminary talks also are an important test of the commitment of communist North Korea to go forward with the effort led by the United States and South Korea to reduce tensions on the Korean Peninsula.

"I hope we have a good dialogue, today," the head of the South Korean delegation, Song Young Shik, told the other delegations at the start of the meeting. The United States and South Korea proposed the four-power negotiations last year. It took months of discussions, starting in New York in March, to get the North Koreans to agree to meet to lay the groundwork for substantive negotiations. *(AFP, Reuters, AP)*

■ Urgent UN Mission to North

The UN World Food Program said Tuesday that a team of experts would leave next week for North Korea to assess the effect of severe drought on this year's food crop, Agence France-Presse reported from Geneva.

The team had been due to travel to the famine-stricken country in October but it was decided to move forward the trip after a report by UN and private agencies warned that 70 percent of the North's corn crop had been lost.

The World Food Program team and specialists from the Food and Agriculture Organization will evaluate the extent of damage caused by the two-month drought, the worst in the country in 60 years, said an agency spokeswoman, Christiane Berthiaume.

Grenade Attack on Club Ratchets Up the Tension in Phnom Penh

Compiled by Our Staff From Dispatches

PHNOM PENH — A grenade attack on a nightclub sharply raised tensions in the Cambodian capital as Parliament prepared for a crucial vote to replace the first prime minister, who was ousted in a coup a month ago.

Twenty-seven people were wounded, one seriously, when three men in military uniforms hurled a grenade into the packed club in the center of Phnom Penh late Monday, the police said.

Senior police officials and Tea Banh, co-minister of defense, said the blast was not connected with the political crisis. "We were told that before it happened a soldier had asked some people to toast him with their drinks but they refused," said a police colonel, Mok Chito.

Mr. Tea Banh said: "In my opinion the grenade attack has nothing to do with politics because it happened in a nightclub where a lot of people go for enjoyment. If politics was behind it, it would have happened somewhere else."

But the attack triggered a wave of rumors across a capital that is still on edge following factional fighting last month, during which the second prime minister, Hun Sen, deposed the first prime minister, Prince Norodom Ranariddh. The prince is expected to be stripped of his title after Parliament chooses a new co-prime minister Wednesday.

Members of Parliament are expected to confirm Foreign Minister Ung Huot as the new first prime minister. He was nominated by remnants of the royalist Funcinpec party in a move blessed by Mr. Hun Sen. The vote has been assailed in advance by opposition lawmakers in exile as illegal and undemocratic.

Meanwhile, about 3,360 refugees who fled factional fighting in the northwest last week returned home Tuesday from Nongchan, Thailand, after fighting ceased and the government guaranteed their safety, Cambodian aides said. *(AFP, Reuters)*

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Herald Tribune

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EUROPE

Voting to Restart Tax Reforms, Kohl's Coalition Goes on Offensive

By John Schmid
International Herald Tribune

FRANKFURT — Chancellor Helmut Kohl's government went on the offensive Tuesday to try to counter the image of legislative paralysis and coalition disunity.

Dogged by the impression that most of Mr. Kohl's reforms are in legislative gridlock, his coalition Tuesday proposed a last-minute measure to give taxpayers some relief next year from the escalating mandatory premiums they pay into Germany's state retirement system.

"This is meant to send a political signal that not everything is stagnant," said an aide to one of Mr. Kohl's parliamentary deputies.

Mr. Kohl's coalition also managed to quell infighting within the three-party alliance, at least for the time being, over a proposed reduction in the "solidarity" income-tax surcharge, an issue that in the past has threatened Mr. Kohl's government, in power since 1982. All the parties agreed that the tax, to finance the integration of East Germany, would be reduced next year to 5.5 percent, from 7.5 percent.

The chancellor moved to regain the initiative as his majority in the Bundestag, the lower house of Parliament, voted to restart the government's package of tax reforms, which was rejected last week by a parliamentary committee controlled by the opposition Social Democrats.

In a special session of the Bundestag, Mr. Kohl's allies carried out their threat to overturn the committee's version of tax reform, which the Social Democrats had drafted and which Mr. Kohl's government steadfastly has refused to accept. The government's allies voted to make a second attempt in September to arbitrate between Mr. Kohl's and the Social Democrats' concepts of tax reform.

Leading Social Democrats seemed intent Tuesday on thwarting Mr. Kohl's latest attempts to reassert his authority.

Ingrid Matthaeus-Maier, spokeswoman for fiscal affairs for the Social Democrats, said the two sides were still far apart on tax policy. She repeated her party's position that Mr. Kohl should bring forward general elections that are scheduled for September 1998.

"I do not think that we should continue this discussion for another 14 months," she said. "Let's have elections now so that each side can put its case to the voters."

While Mr. Kohl wants to reduce the national tax burden by 30 billion Deutsche marks ($16 billion) through reductions in the upper and lower income-tax brackets, the opposition says that tax cuts will recklessly widen the nation's deficit while giving tax relief mainly to the rich.

Rudolf Scharping, parliamentary leader for the Social Democrats, said it was a waste of time and money to interrupt the summer recess to debate reforms that have no chance of becoming law.

"This special session costs a lot of money and the result is already clear," Mr. Scharping said. "The mediation process will be restarted, and as far as I'm concerned, we could do without it."

The opposition likely will use its majority in the upper house of Parliament, the Bundesrat, to block Mr. Kohl's changes in financing state pensions, said Karl-Heinz Klaer, a political operative in Bonn for the Social Democrats.

In its motion Tuesday, the government voted to avert another consecutive annual increase in taxpayers' mandatory premiums into Germany's pension system.

Under current terms, taxpayers and their employers currently split a monthly payment of 20.3 percent of each employee's gross pay to finance the retirement system. Pensions are one of the compulsory payroll deductions that have inflated the cost of German labor and diminished net income of most Germans, who already complain of their steep post-unification tax burden.

Unless the government can find another source of funding, that figure is set to rise to at least 20.6 percent next year. Mr. Kohl wants to increase Germany's value-added tax to 16 percent, from 15 percent, as a way to lower pension contributions below 20 percent of gross pay.

With their control of the Bundesrat, the Social Democrats have suggested they might block the value-added tax increase, knowing it would torpedo Mr. Kohl's latest pension initiative.

"The government is in a crisis," Mr. Klaer said. "You can see that every day."

Prior to the Bundestag debate, leaders in the Bonn coalition agreed to reduce the solidarity income-tax surcharge next year, even if the broader tax reforms eventually fail and thus deprive the government of a way to make up for the 7 billion DM in lost revenue.

The Free Democrats, the junior partners in Bonn's coalition, demand a reduction in the solidarity surcharge by two percentage points to 5.5 percent from the start of next year. The Free Democrats have taken an uncompromising stance, threatening to leave the coalition if the government fails to reduce the unpopular levy.

The intercoalition agreement Tuesday is a setback for Mr. Kohl's finance minister, Theo Waigel, and other members of Mr. Kohl's Christian Democrats who fear that a cut could rip a new hole in state finances as Germany struggles to keep borrowing under control for Europe's single currency.

But the Christian Democrats appeared to back down from their opposition to it for the sake of government unity.

First Look at a New Russian Anti-Ship Missile

The Associated Press

LONDON — Jane's Defense Weekly published the first photos Tuesday of a new Russian supersonic anti-ship missile that its developers hope to sell to the Middle East and Far East.

"Supersonic anti-ship missiles in this category are still very rare birds," said Mark Daly, the magazine's news editor.

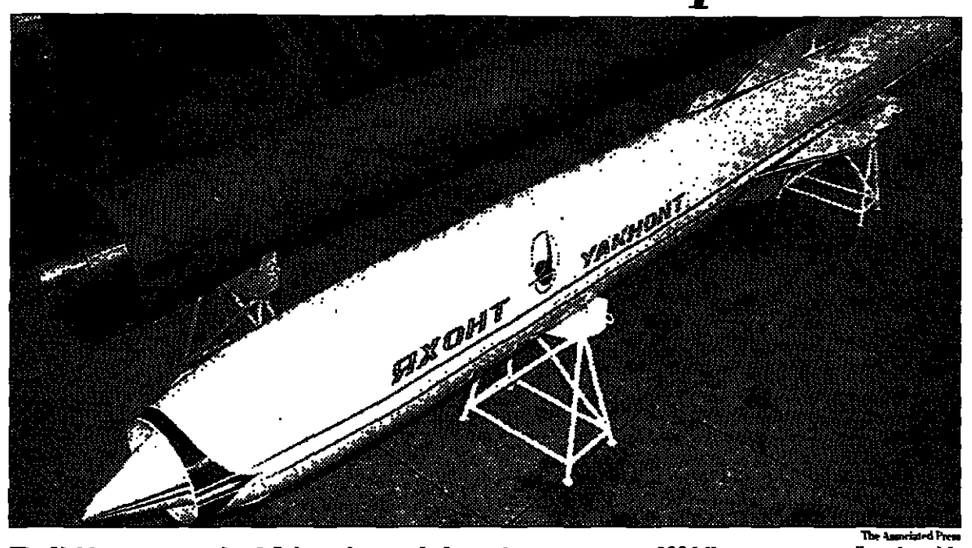
"We've known about it, but now we know what it looks like," he said. "It's a powerful new missile from Russia. It is ship-launched, but it can also be launched from a submarine, an aircraft and a coastal station."

Jane's published a picture of the missile on the cover of its Aug. 6 issue. The 8.9-meter (29.4-foot) Yakhont missile, produced by NPO Mashinostroeniya, is powered by a ramjet engine and can travel at 2.5 times the speed of sound to targets from 120 kilometers (75 miles) to 300 kilometers away, according to the magazine.

By comparison, the most powerful French-built Exocet missiles have ranges of about 70 kilometers, Mr. Daly said. The nearest American weapons are Tomahawk and Harpoon missiles, but like the Exocet they are both subsonic, he said.

The U.S. Congress has been concerned about the impending sale to China of another Russian anti-ship missile, the supersonic SS-N-22, known as the Sunburn. In June, the House of Representatives reversed its own earlier vote to cut off arms-reduction aid to Russia if Moscow sold SS-N-22s to China. At stake was $210 million to be used to dismantle Russian nuclear weapons. Republicans had warned that the sophisticated missiles could end up in Iran, where they could threaten U.S. Navy ships patrolling the Gulf. The missile has a range of 96 kilometers. Mr. Daly said Sunburn missiles, carried on warships, are bigger and more powerful and also cruise at 2.5 times the speed of sound. But he said the Sunburn was not as versatile as the Yakhont.

Jane's quoted unidentified officials at Mashinostroeniya as saying that talks were under way about the installation of the Yakhont on non-Russian surface ships. It did not identify the country or countries involved.



The Associated Press
The Yakhont can travel at 2.5 times the speed of sound to targets up to 300 kilometers away, Jane's said.

GERMANS: *Battle of the Oder Is Spur to Unity*

Continued from Page 1

The bitter polemics between the two halves of Germany that still endure nearly eight years after the fall of the Berlin Wall have given rise to a popular axiom: that Germans are still divided by "a wall in their heads."

The squabbling has seemed so grievous at times that many politicians and commentators predict it may take at least 20 years before Germans feel truly united.

But the extraordinary rescue effort in coping with the flood, one of the worst this century, has prompted a reassessment of that dire prognosis.

Donations worth millions of dollars have been pouring in from across the country in answer to Mr. Kohl's personal appeal to aid eastern farmers and their families who lost their homes and livelihoods.

"This is where we have to prove that unified Germany is one Fatherland," Mr. Kohl said during a visit to the Oder's inundated banks last week, when it seemed that the dikes would not hold.

But emergency deliveries by helicopters and army trucks of the thousands of tons of sand and gravel necessary to bolster the soggy embankments saved the day.

"Those of us who spent 40 years in East Germany never had it as good as those in the west," said Magdalena Schroeder, 63, of Hohenwutzen, a village in the most vulnerable part of the northern Oder basin.

"We learned how to help one another because we had to, and that is just what we are doing now. But the westerners brought their technology along with the soldiers, and if they hadn't we would have been under water a long time ago."

Now that the water level is dropping and the danger point appears to have passed, many Germans say the harrowing experience of staving off more disastrous consequences of the floods — the 100 deaths and incalculable damage inflicted on Poland and the Czech Republic — has yielded a new appreciation of unity.

"In the last couple of weeks, people from all parts of Germany who have battled the flood waters have helped a nation rediscover its forgotten identity," wrote Peter Jochen Winters in the Frankfurter Allgemeine, a leading conservative newspaper.

"Through the brutal reality of fighting Mother Nature have Germans found their inner unity between East and West. One can only hope that it will be sustained."

For the German Army, the crisis on the banks of the Oder has provided an invaluable opportunity to win public support.

A debate has been raging for months about whether the time has come to abolish the conscript force in favor of an all-volunteer professional force as exists in the United States, Britain and soon in France.

But the sight of up to 10,000 young soldiers, many who will serve only for their obligatory nine-month tour of duty, sweating and shoveling sand up to 12 hours a day to save the lives and property of eastern compatriots won cheers and admiration across the country.

MIR: *A New Crew Blasts Off*

Continued from Page 1

several days. In addition, the crew has enough oxygen canisters to last for more than two months.

Kathleen Maliga, a NASA spokeswoman at Russian Mission Control, said the problem surfaced last week when the oxygen generation system, which had been off, was turned back on but subsequently began turning itself off. Repairs have been under way for two days, she said.

"We're not worried," she said. "Obviously we'd like for it to be working, and we're talking to the Russians, but nothing happened different today from yesterday."

In the unlikely event all five Mir occupants have to be evacuated during the time both crews are aloft, they would be able to escape in two vehicles — the Soyuz now standing by, and the one used by the replacement crew.

The two new crew members lifted off after a traditional sendoff from space officials at Baikonur. Their first big job is set for Aug. 20, when they will attempt a difficult repair effort to restore the damaged space station to more or less full power.

The Mir has been running on half power since the June 25 mishap, and the current mission will help determine whether the station can be patched up and safely hold human beings for another two years.

The cosmonauts will have to open the airless Spektr module and reattach power cables that had to be disconnected after the crash, which ruptured the module.

But fixing the damaged station was not the only item on their agenda.

"It is not right to call us repairmen," Mr. Vinogradov said Monday, speaking to journalists from behind a glass window to protect against infection. "No one has relieved us of our other scientific duties, and we'll be busy carrying them out until the very last day."

Repairs had been scheduled to be performed by the current crew, but the work was delayed after the commander Vasili Tsibliyev, reported an irregular heartbeat.

He and his crew mates, Alexander Lazutkin and a U.S. astronaut, Michael Foale, have been preparing for the new crew's arrival, packing equipment into the Progress cargo ship docked with Mir.

The Progress will be disengaged Wednesday to make room for the arriving spacecraft. The cargo ship will redock in two weeks and later be jettisoned. It was during a practice docking that the supply ship rammed the Mir.

Germany Scraps Plan to Levy Fees for PCs Linked to Internet

Reuters

MAINZ, Germany — Germany on Tuesday managed to avoid becoming the first advanced country to tax people who have personal computers connected to the Internet.

After threatening to hit PCs linked to the Internet with the same fee now charged for owning television sets, representatives of German state governments bowed to pressure from politicians in Bonn and said they would not impose the tax.

The ARD and ZDF networks had discussed extending the television fee to Internet PCs used by businesses. The idea was based on a regulatory gap between state laws imposing fees on televisions and radios and a federal multimedia law that took effect Aug. 1.

The fee proposal would have exempted home Internet users who had already paid the television fee. But the proposal left unclear whether schools, universities, hospitals and government offices would have to pay PC fees.

Education Minister Juergen Ruettgers had appealed to the states to avoid the fees, saying they would dissuade companies from investing in Germany and hinder the development of Internet-related jobs and businesses.



Paul Vicente/Agence France-Presse
A HEAD FOR BREWS — A technician examining beer quality Tuesday at London's British Beer Festival.

BRIEFLY

Britain Curbs Troops For Attack in Cyprus

LARNACA, Cyprus — The British Army on Tuesday barred a 600-strong unit from visiting a popular Cypriot holiday resort after reports some soldiers had viciously attack British tourists there over the weekend.

"The restrictions imposed upon British Forces Cyprus, but lifted over the last 18 months, have now been reimposed on the First Battalion, Kings Regiment, to be reviewed in due course," said Mervyn Wynne-Jones, a spokesman for the British military bases in Cyprus.

The British Army banned visits to the resort in September 1994 after three soldiers killed a Danish tour guide. *(Reuters)*

Global Emission Talks

BONN — Talks on global warming have resumed here, with nearly 170 countries attending, but delegates face an uphill struggle to overcome failures of the Denver summit meeting in June and the following New York meeting of 160 countries.

World leaders failed at those talks to agree on specific limits on greenhouse gas emissions.

Speaking in New York in June, President Bill Clinton admitted that the United States should improve and increase its efforts to fight global warming, but said that Washington would not set specific caps on gas emissions until a United Nations meeting in Japan in December. *(AFP)*

Complaints in Turkey

ISTANBUL — An Islamist human rights group said Tuesday that violations of religious rights increased in Turkey in July.

"Human rights violations rose in July and keep rising every month," said Ahmet Mercan, head of the Istanbul branch of the Mazlumder group. "The picture of rights abuses in Turkey is unfortunately very dark."

The report focused on abuses in connection with religious freedom. *(Reuters)*

Dutch Cut Bosnia Ties

THE HAGUE — The Dutch government has suspended relations with the embassies of Bosnia-Herzegovina, joining other European nations that are pressing the country to agree on the equal sharing of diplomatic postings.

The Dutch move follows similar actions by Germany, France, Sweden and the United States.

The action was intended to punish Bosnia's ethnic factions for failing to agree on key provisions of joint statehood by a deadline of Aug. 1.

The deadline passed without Serbian, Croatian and Muslim leaders agreeing on the appointment of ambassadors, a joint citizenship and passports and also the reopening of airports. *(AP)*

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Nasser Shiyoukhi/The Associated Press

Palestinian women and girls watching Tuesday as an Israeli Army bulldozer demolished a Palestinian's house in the West Bank town of Sa'ir. The authorities destroyed the house because they said it was built without a permit.

Israel Is Urged to Ease Its Siege

Arabs and the West Say the Demands on Arafat Are Too Harsh

By Douglas Jehl
New York Times Service

JERUSALEM — Israel came under mounting pressure Tuesday to ease the siege it has imposed on the Palestinian Authority in the six days since a suicide bombing attack underscored what the Israeli government has called the Palestinians' failure to root out Islamic militants responsible for terrorist violence.

As world leaders began a quest for a diplomatic solution to the crisis, top Arab and Western officials joined in suggesting that Israel may have demanded too much of Yasser Arafat, the Palestinian leader, whose government is reeling from the harsh measures that Israel has ordered. Meeting in Cairo, the Arab League labeled the Israeli action "a declaration of war against the Palestinian people."

After separate consultations with Prime Minister David Levy of Israel, President Hosni Mubarak of Egypt said that Mr. Arafat was "not powerful enough" to do all that Israel has demanded.

And in an embarrassment to Israel, which had announced that King Hussein of Jordan would travel to Jerusalem on Wednesday to help mediate in the crisis, a spokesman for the king said he had made no such commitment. A spate of backbiting followed, with some Israeli officials suggesting that King Hussein had changed his mind under pressure from other Arab leaders, while Jordanian officials accused the Israeli press and Prime Minister Benjamin Netanyahu's office of having jumped to unwarranted conclusions.

The grim mood was further reinforced by a statement issued by the militant Islamic group Hamas, which warned that it intended to carry out "a chain of martyrdom operations" that would extend "into the depth of the Zionist entity." A pair of leaflets issued in the name of Hamas had claimed responsibility for last week's bombing, which killed 13 Israelis along with two suicide bombers, but these had been treated with some skepticism by Israeli authorities.

But the statement faxed to news organizations Tuesday was described by experts as unquestionably the work of the military wing of the militant group, known as the Qassam Brigade, which said it intended to make good on an earlier threat to resume its attacks unless Israel released Palestinian prisoners by a deadline that lapsed at 9 P.M. Sunday.

Hamas recommended that "the Zionists" should move swiftly "to open their hospitals and medical centers once again to absorb new clients who will be burned by the flames of our holy war which will burn every Jew on the land of Palestine."

More diplomatic efforts to resolve the crisis are scheduled to resume Wednesday, when Crown Prince Hassan of Jordan and the country's Prime Minister, Abdul-Salam al-Majali, will travel to Jerusalem in place of King Hussein to meet with Mr. Netanyahu. Dennis Ross, the American special mediator, is due to arrive in the region by week's end. But even as Israel came under criticism, Mr. Netanyahu and his aides maintained a rigid stand.

They have said they will do nothing to restart the peace talks, to ease a severe closure of Palestinian territories or to resume the flow of millions of dollars in funds owed to the Palestinian Authority until Mr. Arafat begins to round up, or at least to disarm, Islamic militants from Hamas and other radical organizations.

Mr. Netanyahu said flatly Tuesday that the Palestinians had taken "no action" since last Wednesday's attack to respond to the Israeli demands, and he declared: "Without these demands being met, the peace process between us and them is in real danger."

Mr. Arafat contends that the Palestinian authorities have taken some steps to combat terrorist violence, but he has suggested that his power is limited.

A top Palestinian official said that Israel's economic and security siege, which has sealed off the West Bank and Gaza from Israel more securely than ever before and has included the unprecedented suspension of the reimbursements owed to the authority, was costing the Palestinians $9 million a day.

Maher al Masri, the Palestinian Minister of Trade and Economy, said, "There is no foreign trade, tens of thousands of workers are being kept from their jobs, industrial production has stopped, the agricultural sector is paralyzed and transportation has been halted. The result is total collapse."

Among the Western officials who have voiced criticism of the Israeli pressure tactics is Europe's Middle East peace envoy, Miguel Angel Moratinos, who said during a visit to Gaza on Monday: "We cannot really understand some measures that instead of bringing security are bringing insecurity."

A Squeeze on Palestinian Budget

By Douglas Jehl
New York Times Service

JERUSALEM — Using a harsh new economic weapon against the Palestinian leadership, the Israeli government has suspended reimbursement of taxes and other fees that it owes to the Palestinian Authority. The money accounts for nearly two-thirds of the authority's annual revenue.

Israeli officials concede that it represents an unambiguous violation of the peace accords that Israel has signed with the Palestinians.

Under the accords, Israel is obligated to transfer to the Palestinian Authority all but a small fraction of the nearly $500 million it collects each year from Palestinians who work or buy goods in Israel.

As the scope of the plan became clear on Monday, Western officials said the U.S. Embassy in Tel Aviv had fought in vain over the weekend to persuade Israeli officials to reverse the decision.

American diplomats warned that halting the flow of funds could have the opposite effect of the one intended by the Israelis, who hope that the suspension will push Yasser Arafat and his forces to step up the battle against terrorism after the suicide bombing in Jerusalem last week.

Israeli officials have said that some and eventually all of the payments would be restored if Mr. Arafat and his forces adopt a harder line toward Islamic militants. But Prime Minister Benjamin Netanyahu said that until they do so, they should be subject to the same kinds of draconian economic sanctions that the United States imposes on countries like Libya, Iran and Iraq.

"The Palestinian Authority must decide what kind of regime it is," Mr. Netanyahu said. "If it decides it is a regime that does not fight terrorism, we will continue our measures."

A senior Clinton administration official said Washington had told Mr. Netanyahu that cutting off money to the Palestine Authority was "counterproductive and only undermines those in the authority responsible for security, namely the police, who make up the bulk of the payroll."

"We think the Israelis should resume transferring funds," the official added. The American position was expressed to Mr. Netanyahu in a telephone call from Dennis Ross, Mr. Clinton's special envoy for the Middle East, the official said.

Among those who have objected to the suspension of payments is Ehud Barak, the leader of Israel's opposition Labor Party. "It's not our money," Mr. Barak said in a telephone interview Monday. "It's their money, and I don't see how this can last very long."

Many times in the past, the Israelis have imposed severe economic hardships on the Palestinians by sealing the borders of the West Bank and Gaza, preventing tens of thousands of Palestinians from reaching the jobs in Israel that are their livelihood. Israel has also repeatedly stopped the peace talks with the Palestinians, as it did after the bombing last week.

'It's their money, and I don't see how this can last very long.'

But since reaching its first agreement with the Palestinians in 1993, Israel has never halted the reimbursements that it promised to provide. The decision to do so now has exposed the extraordinary degree to which the Palestinians are financially dependent on Israel's willingness to make good on its pledge.

Of the $814 million that the Palestinian Authority plans to take in as part of its 1997 budget, $513 million was to come from the reimbursements from Israel. Each month, Israel has transferred to Palestinian accounts a sum that includes all of the customs duties, value-added taxes, fuel-excise taxes, health taxes and 65 percent of the income tax collected by Israel from Palestinians.

Because tens of thousands of Palestinians work in Israel, and because even those who do not work there buy goods that are produced in Israel or are imported via Israeli ports, the sum of money collected by Israel is large. The two sides have applied the same principle to money collected by the Palestinians from Israelis, but that sum is insignificant.

The cutoff in payments began Friday when Israel failed to make a scheduled payment of nearly $25 million owed to the Palestinians as part of their July 1997 allotment, and it has caused havoc.

The paychecks that were to have been issued Friday were set aside, and the Palestinian cabinet has circulated a stern directive imposing severe austerity measures throughout the government, barring all but the most vital expenditures.

Palestinian officials said Monday that civil servants and police forces had been paid their full monthly salaries Sunday. But a Western official who works closely with the Palestinians said that it was not clear that the authority had the money to make good on the checks.

Neither Mr. Netanyahu nor his aides have directly blamed Mr. Arafat or his advisers for the bombing.

But they have said the Palestinians have done too little to round up suspected Islamic militants, and they have accused Mr. Arafat and others of encouraging some attacks.

The Palestinian authorities have yet to arrest any of 150 suspected militants that Israel has urged them to take into custody, or to hand over to Israel any of 31 people who are accused of killing Israelis and are believed to be living in Palestinian-controlled areas.

Mr. Arafat has said that his forces have taken adequate steps and that he is being blamed for incidents beyond his control.

BAHT: *Thais Commit to Austerity and Will Close 42 More Firms*

Continued from Page 1

He warned, however, that Thailand would have to provide additional details of its plans.

"Nobody involved wants to extend this process," the IMF official said, "but there are still a lot of details that have to be sorted out and clarified before we can actually sign a letter of intent for the full package."

Analysts said that with IMF backing of its plan, Thailand probably could count on Japan to provide loans. Japan is Thailand's largest creditor.

Acceptance of IMF conditions came after months of government insistence that the economy was sound despite a downturn in exports and waning confidence among foreign investors and creditors.

From 1985 until 1995, Thailand experienced torrid economic growth, an average expansion of almost 8 percent a year that was fueled with short-term loans at low interest rates from overseas lenders.

Total foreign debt has now grown to an estimated $90 billion — almost three times the country's foreign reserves — with about 90 percent of it owed by the private sector.

When the growth of exports began to slow last year, Thailand's creditors began to have second thoughts about their money.

By July, pressure on the baht forced the authorities to float the currency, which had been firmly pegged to a basket of hard currencies for more than a decade.

As well as triggering speculative attacks on currencies throughout Southeast Asia, the float of the baht wiped out many Thai corporate profits.

The U.S. dollar fell against the baht in Asian trading after the package was announced.

The dollar was trading at 31.85 baht, down from 32.15 on Monday.

Before the Southeast Asian region's currency crisis began in earnest last month, it took only about 26 baht to buy a dollar.

As part of the currency-stabilizing package, the government pledged to keep its reserves of foreign currencies above $25 billion.

The central bank said Thursday its reserves were $32.4 billion in June, down from $33.3 billion in May.

In a related measure, Mr. Thanong said he would limit the current-account deficit to 5 percent of gross domestic product in 1997, compared with 8 percent in 1996.

The package will take a toll on economic growth. Mr. Thanong predicted the economy would grow 4 percent in 1997, compared with 6.4 percent last year and annual averages above 8 percent from 1985 to 1995.

■ New Concern Over Liquidity

Keith B. Richburg of the Washington Post reported:

While analysts in Bangkok generally welcomed the package as a sign that the government was serious about taking unpopular steps to resolve its crisis, the surprise announcement about the suspension of the 42 finance firms suggested that the liquidity crisis in the financial sector was even more acute, and more widespread, than initially believed.

Some economic analysts expressed concern that the problems in the finance companies could spread to the commercial banking sector, prompting a run on banks such as happened in Argentina two years ago when one-quarter of deposits were yanked out of the country.

Dominique Maire, associate research director at UBS Securities in Bangkok, called the government actions Tuesday "a hot and cold shower."

The austerity package was the "hot shower," since it clears the way for Thailand to deal with its balance of payment problems. But the closure of the finance companies points to a domestic liquidity crisis that will not be so easily solved. Thailand has 91 finance firms, so the 58 now closed are more than half the total.

Those firms together have borrowed 500 billion baht to cover their bad debts, a total said to equal about 12.5 percent of Thailand's money supply.

PUFF: *Clinton Will Tighten Ban on Smoking at Federal Buildings*

Continued from Page 1

Because the president cannot control work conditions in other branches of the government, his order will not affect Congress or the federal courts. But officials estimated that more than half of the 1.9 million executive branch employees work in agencies that will have to tighten rules.

The order gives agency managers a year to conform to the new standards. A signing ceremony has been placed on Mr. Clinton's schedule at least three times and then postponed.

Officials said Monday that it would be made the focus of the president's weekly radio address Saturday.

"This decision is important symbolically, but it's also important to the health of federal government employees and the people who visit government buildings," said Matthew Myers, director of the National Center for Tobacco-Free Kids.

"Such an executive order guarantees an individual's fundamental right to work in an environment free of unhealthy smoke," said Senator Tom Harkin, Democrat of Iowa. "Risking lung cancer or heart disease shouldn't be a sacrifice a person should have to make for career advancement."

Such a directive was first contemplated late in George Bush's presidency but never acted on. When Mr. Clinton took over, he banned smoking in the White House but never followed through on the broader order.

Mr. Harkin, Senator Frank Lautenberg, Democrat of New Jersey, and Richard Durbin, Democrat of Illinois, wrote to Mr. Clinton in June asking him to consider the directive again. Mr. Lautenberg, Mr. Durbin and Representative Henry Waxman, Democrat of California, have introduced legislation banning workplace smoking in government offices and private businesses except for separately ventilated rooms.

This is similar to proposals under consideration by the Occupational Safety and Health Administration and included in the proposal recently negotiated with the tobacco industry.

But Thomas Lauria, a spokesman for the Tobacco Institute, said extending a smoking ban to outdoor areas is an outrageous overreach unjustified by evidence of any harm to nonsmokers in open-air settings.

"If we start banning behavior that annoys one another, then we're going to become a straitjacket society before you know it," he said.

In many federal workplaces, it will make little practical difference because they already ban smoking. The Pentagon, the Health and Human Services Department, the Postal Service and the Environmental Protection Agency have among the toughest policies.

But others are not so strict. A survey by Mr. Lautenberg's office revealed a patchwork set of rules that vary from department to department. Officials say the Transportation Department has smoking lounges, the Housing and Urban Development Department permits smoking in some restrooms and other agencies allow it in cafeterias.

Commerce Department workers can smoke in private offices while enlisted military personnel and others are allowed to smoke in military-owned restaurants and bars.

Among the most visible changes will be the ban on outside entrances, where many workers escape for a smoke during lunchtime and coffee breaks.

An earlier draft of the new policy called for a ban within 50 feet (15 meters) of doorways, but the final version does not define how far the no-smoking zone would extend.



Enny Nuraheni/Reuters

The planning minister, Ginanjar Kartasasmita, announcing the purchase of Russian fighters Tuesday.

INDONESIA: *In Slap at U.S., Jakarta to Buy Russian Fighters*

Continued from Page 1

what the government said were "wholly unjustified criticisms" in Congress of its human rights record, particularly in East Timor, a former Portuguese colony invaded by the Indonesian military in 1975 and annexed the following year.

Indonesia also pulled out of a U.S. government-funded military education and training program.

"If arms sales are linked by any country to what we believe are extraneous issues, then we will simply find other suppliers," Ali Alatas, Indonesia's foreign minister said after the planned F-16 purchase was scrapped.

In a sign of Moscow's readiness to export its top-of-the-line military hardware without conditions, Indonesia will be the second country, after India, to get the advanced Su-30K fighter, which is considered superior to the Su-27 that China has acquired from Russia.

Analysts said that the Su-30K, which can fly at twice the speed of sound, has a combat range of 3,000 kilometers (1,800 miles), about three times that of an F-16 without aerial refueling.

They said that provided the Su-30K is properly maintained and supported, it should be well-suited to long-range patrol and interception missions in Indonesia, an archipelago of over 17,000 islands stretching for 5,000 kilometers (3,000 miles) along the Equator.

Mr. Ginanjar did not say when the Su-30Ks would be delivered.

But India's deal with Russia in November for 40 of the planes was reportedly worth about $1.8 billion. A similar deal with Indonesia would therefore be worth some $500 million.

India has already taken delivery of the first of its Su-30Ks. Russia is expected to provide similar rapid delivery of both the fighters and helicopters to Indonesia when its pilots and support crews have been trained.

Mr. Ginanjar said that the Indonesian and Russian governments had yet to finalize details of the price and payment conditions, technology transfers, spare parts and after-sales backup.

But he indicated that at least part of the cost of the purchase would be a counter-trade arrangement in which Indonesia could exchange its commodities such as palm oil, coffee and rubber for the Russian aircraft instead of cash.

When Malaysia ordered 18 MiG-29 fighters from Russia for $600 million in 1995, becoming the first Southeast Asian country to buy Russian combat aircraft, it insisted on paying for part of the deal with Malaysian commodities.

BRIEFLY

Kenyan Opposition Will Stick to Strike

NAIROBI — The National Convention Executive Council, a group demanding reform of Kenya's constitution, on Tuesday rejected the government's attempt and announced it will go ahead with a countrywide strike Friday.

Council officials said after a special meeting that they had decided the national strike would go forward "because there had been no meaningful or useful response from the government on demanded reforms."

The council rejected two government reform bills put forth in the past week, saying it was an insult to the public that they had been published without any consultation or discussion with the council or any other interested parties. *(AFP)*

26 Killed in Algeria After Tough Talk

ALGIERS — A day after Algeria's president threatened more tough action against those responsible for "demented" attacks on civilians, armed attackers slit the throats of 26 people Monday.

The latest attack took place in the village of Amroussa, in the Blida region south of the capital, where many attacks have occurred.

The victims included a dozen women and a 3-month-old baby, hospital sources said on the condition that they not be named for fear of reprisals.

The sources said an additional 15 people were wounded. Security forces tried to intervene but came too late, witnesses said.

On Sunday, President Liamine Zeroual gave a tough speech threatening further action against the Islamic militants suspected of carrying out the recent attacks, which have killed more than 600 people in less than two months.

He told the cabinet that the government would "pursue the implacable battle against this phenomenon with all the rigor of the law."

"The state will continue to assure, with unfailing determination, all its responsibilities so that the criminals pay for their actions," he said. *(AP)*

Bolivian President Officially Approved

LA PAZ — Congress on Tuesday overwhelmingly confirmed Hugo Banzer, a former dictator turned democrat, as the country's next president.

Since the retired general, who is 71, did not win a majority in the June 1 elections, gaining only 20.8 percent of the vote, the final decision was made by Congress.

Mr. Banzer was supported by 118 lawmakers, while Juan Carlos Duran, who had 17 percent of the vote, was backed only by the 30 legislators from his Nationalist Revolutionary Movement. Mr. Banzer will be sworn in Wednesday.

Some remember his 1971-1978 term as violent, while others say it was a time of economic growth *(AFP)*

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Waiting for China

American officials are disappointed that months of negotiations on whether to admit China to the World Trade Organization have failed to produce an agreement to open China's booming economy to foreign imports and investment. But the Clinton administration has wisely decided that it would rather let an artificial deadline, President Jiang Zemin's visit to Washington in October, slip than hastily invite China into the WTO on the wrong terms.

China's economy relies heavily on companies owned and subsidized by the state. For admission to the WTO, a country must agree to sell its exports free of government subsidies and to permit imports to compete against its domestic products on commercially viable terms. It must also allow trading partners to monitor whether these fair-trade rules are obeyed. China resists these changes in part because they would prove wrenching. The Chinese would need to make government subsidies explicit and then agree to phase them out at a steady pace. That could throw huge numbers of Chinese out of work before a well-functioning labor market could steer them into new jobs.

It is uncertain how many market-based rules that govern tariffs, quotas, subsidies and other trade barriers China is willing to swallow. So far the Chinese have made only timid offers to the United States, which has assumed the lead in negotiating terms of China's entrance into the WTO.

Beijing's hesitation is unsurprising. It already reaps, without making concessions, the benefit of most-favored-nation status in America and most other countries, which guarantees that exports from China are taxed no more than exports from any other country. Membership would therefore give the Chinese little economic advantage.

To Beijing, the lure of membership is political. Mr. Jiang appears to covet the political glow of leading China, which will soon be the world's largest exporter, into its rightful place in the club of international traders.

Membership is also important to those Chinese officials who want to embrace markets as the driving force of the economy. Once China is a member, these officials can use the threat of WTO sanctions as a hammer to hasten reform. China may also anticipate the day when its exports bump against protectionist forces abroad and it will wish to invoke international sanctions from inside the WTO.

For the West's part, membership offers an effective way to side with Chinese reformers in converting China to an economy governed by rules subject to international judicial proceedings. The United States would no longer have to play the role of a bully threatening sanctions for Chinese trade violations and could instead let an international body resolve disputes. That would deflate trade and political tensions between the two countries.

Despite nearly a decade of negotiations, the fractured Chinese leadership appears unready to embrace a specific schedule of steeply lower tariffs and elimination of other trade barriers like restrictions on the right of foreign companies to sell products in China or of foreign investors to export products from China.

The West will not demand that China turn itself into a clone of the West by privatizing state-owned companies. But it will demand that China, like other WTO members, end subsidies for state-owned companies that are used to promote exports and block imports.

China has not made up its mind to accept the WTO on its terms. The West can wait until it does.

— THE NEW YORK TIMES.

What to Do if Mideast Peace Is Really the Goal

By Gideon Rafael

JERUSALEM — The July 30 massacre at the Mahane Yehuda market in Jerusalem followed the announcement of imminent resumption of deadlocked negotiations between Israel and the Palestinian Authority, an interruption of U.S. mediation activity and adoption by the United Nations of an Arab-initiated resolution condemning Israel.

Evidently, the cycle of Palestinian terrorist action is not fortuitous. It seems to be related to the course of the peace negotiations. As long as the prospects of progress appear to be dim, terrorist organizations associated with fundamentalist Hamas lie in wait, relying on the politicians to halt the peace train. When it starts moving again, Hamas terrorists strike to derail it.

Take the multiple terrorist attacks in March last year, to which 59 Israelis fell victim. They were launched when the Shimon Peres government was actively engaged in negotiations with Yasser Arafat's representatives on implementation of the Oslo accord. Simultaneously, ambassadors of Israel and Syria, with U.S. assistance, conducted intensive peace talks.

Moreover, 1996 was a year of national elections in Israel. The Labor government led by a wide margin in the polls. By all estimates, its re-election would have accelerated the negotiations and improved the prospect of a successful outcome. Mr. Peres's defeat, to which the attacks contributed decisively, would seal the fate of peace, or so the enemies of peace assumed.

Note, too, that on July 15 this year the United Nations adopted an unbalanced resolution saddling Israel with responsibility for the suspension of peace negotiations.

For half a century the United Nations has been involved in the Arab-Israeli conflict. On Nov. 29, 1947, the General Assembly resolved to settle the Palestine problem by partitioning the country into Jewish and Arab states linked by economic union, with Jerusalem placed under an international administration to be reconsidered after 10 years in a referendum by the population of the city.

The Jewish side, although regarding the solution as a painful compromise, accepted it. The Arab side rejected it; its head of delegation, Jemal Husseini, declared that "the line of partition will be a line of blood and fire."

His statement was meant not as an empty threat but as a declaration of war against the nascent Jewish state. It became the battle cry of the Palestinian leadership, sounded by its representatives in every arena, heralding an a long chain of violence that erupted into five full-scale wars.

One-sided UN votes against Israel are damaging to the peace process.

The Arabs, failing to wipe out Israel on the battlefield, turned the United Nations into a substitute battleground, launching an unceasing worldwide campaign of defamation of Israel; the aim was its international isolation as a prelude to its eventual elimination. Unfortunately, the United Nations proved to be more effective in prolonging the conflict than in terminating it by peaceful settlement.

The hope that the conclusion of peace between Egypt and Israel nearly 20 years ago, an event of far-reaching significance for the Middle East, would become a turning point for the United Nations was deeply frustrated when the organization denied its support of the peace treaty.

Nor did the Oslo accord of 1993, designed to end the conflict once and for ever, produce a basic change in the attitude of the United Nations.

On various occasions when negotiations between Israel and the Palestinians were stalled by major differences, Mr. Arafat turned to the United Nations, counting on a vast majority to blame Israel for the deadlock. The 130-odd votes that he has succeeded in mobilizing twice in recent months against Israel probably encouraged him. Whether they advanced the cause of peace is another matter.

Experience has shown that one-sided condemnation of Israel by the United Nations produces at least four harmful effects. It reduces international influence on Israel's political decisions, it weakens America's position in the international community, it prods Arab extremism, and it impairs the standing of the United Nations as a promoter of peace.

What actions are useful for a successful outcome of the peace negotiations? Among the major factors:

- Readiness of the parties to make reasonable concessions;
- Determination by the Palestinian Authority to refrain from use of and incitement to violence as a means to influence the course of the negotiations, and the resolve above all to suppress effectively the organizers and perpetrators of terror.
- Abstention from unilateral action by Israel that stirs up the emotions, deepens the frustration and increases the social and economic distress of the Palestinian people.
- Strong resistance by responsible members states to abuse of the United Nations as an instrument of political warfare in situations that call for the promotion of conciliation rather than aggravation of confrontation.
- Most important is the need for sustained intensity in U.S. participation in the peace negotiations. Repetition of statements at high levels of the administration that "only the parties to the conflict themselves can make peace" is ineffective. It defies the historic fact that not a single Israeli-Arab agreement, from the original armistice accords to the peace treaties with Egypt and Jordan, was achieved without active involvement of the United States.

The problem is not lack of willingness by the negotiating parties to make peace but their inability to remove roadblocks by themselves. Patience and caution alone, the cherished attributes of diplomacy in a bygone age, are not the right prescription for coping with the realities of our rough-and-tumble world.

The action of the United States from Haiti to Bosnia and beyond shows that Washington recognizes the need to apply a convincing measure of determination to deal with dangerous international crises.

The present deadlock along the whole negotiation front from Gaza to Jerusalem, Damascus and Beirut contains the seeds of disaster.

Resolute U.S. diplomacy, backed by America's European allies and responsible Near Eastern governments, can avert that and lead the peace effort to a successful conclusion.

The writer was a member of Israel's first delegation to the United Nations and later its UN ambassador and director general of its Foreign Ministry. He contributed this comment to the International Herald Tribune.

America Has Had a Social Contract, and It Is Being Shredded

By Kevin Phillips

WASHINGTON — The future of the safety net protecting the average American (Social Security, Medicare and the rest) strengthened a bit when Congress decided not to raise Medicare premiums and the Medicare retirement age. But cutbacks are surely coming.

A bunch of middle-aged U.S. senators who call themselves poor on $133,000 a year have no qualms about demanding a surcharge on "wealthy" 66-year-old Medicare couples living on $75,000 a year. Seventy senators voted for that surcharge, and they will be back.

What may be the most important sign is the terminology used by two of the most prominent critics, Senator Edward Kennedy and House Minority Leader Richard Gep-hardt. They said this kind of change violates America's "social contract." It's about time that point was made, although you may need a definition.

Is the "social contract" a) the name of an upscale dating service in Little Rock, Arkansas; b) the title of a book by the 18th century French philosopher Jean-Jacques Rousseau; c) a term for the postwar U.S. political consensus to protect the interests of ordinary Americans, which Congress and the president seem inclined to dump; or d) all the above?

For sure, "b" and "c," and the one to note is "c."

Most of the federal safety net programs were put in place from the 1930s to the 1960s. As late as the early 1980s, even conservative politicians were insisting that they would not be cut — that supply-side economics would unlock so much growth that the safety net in America, like the welfare state in Europe, would flourish.

Since the late 1980s, that commitment has been withdrawn. Governments have sought to reduce or reshape health programs, pensions and education spending (Sorry, folks, budget pressures) even as they manage to find the money to cut taxes on wealthy individuals and corporations.

If the politicians are going to have any credibility in proposing solutions to the runaway costs of Social Security and Medicare, they are going to have to start taking a candid look at who has got what in the past 10 to 15 years, how straightforward or corrupt these changes have been, and how they stack up against the implicit promises of 30 or 40 years ago.

Take the campaign finance hearings that began in Washington last month. They have not attracted a whole lot of applause for a very plausible reason. The people running them want to point at specific, limited abuses, mostly involving foreigners, and say: Isn't this awful? What they don't want to do is add up the whole tawdry bipartisan blowout, admit that Congress and the White House have broken an "ethical contract" with the electorate, and then shape laws to drive big money out of politics.

Assembling the whole picture for voters to froth over and demand action isn't in the script.

Before the French Revolution, Rousseau wrote that governments, in essence, had a contract with those they governed. This idea is not much more popular in the Washington of the 1990s than it was in 1790s Paris, because government, once again, seems to exist more for the few than for the many.

Forty years ago that was not so. President Franklin D. Roosevelt had more or less set out a deal — a New Deal — that government in general, and Social Security in particular, were a compact with the average citizen. Roosevelt said he had wanted Social Security to be paid for in part by individual tax contributions so that contributors were entitled to it, so that the program could not be means-tested and turned into welfare.

Many Republicans, but also some Democrats, want to scrap the old Rooseveltian approach. They want to privatize Social Security and Medicare, or they want to means-test them so that each can be split — part (for the poor) to become de facto welfare, part (for the better off) to be handled by private fiscal management or insurance.

This, in turn, grows out of a larger change that began in the 1980s: Cut taxes that mostly fall on the people at the top; cut or forgo services mostly used by and vital to the people in the middle and at the bottom.

If the Rooseveltian blueprint involved redistribution of income downward, the essence of the new one (tax reduction, spending cuts, deficit reduction) has pushed redistribution in the other direction: away from labor and ordinary people toward capital and the financial elites.

This debate should be enlarged and broadened. For years we have seen the ever clearer results of social contract breakage. A new book, "Money: Who Has How Much and Why," reports that since 1975 the top 5 percent of Americans have increased their inflation-adjusted incomes by 54 percent, the middle 20 percent by 6.7 percent and the bottom 20 percent by 1.5 percent.

In 1991, Mr. Clinton, as a long-shot presidential candidate, talked about these trends in detail and with emotion. When he closed in on the presidency in 1992, his words grew bland. Since then he has offered almost no action.

Indeed, his 1997 budget compromise with the Republicans — his willingness to conjoin Medicare cuts with capital gains tax breaks for the upper brackets — legitimizes an anti-Rooseveltian tide that otherwise would have been stymied by hostile public opinion polls and the growing fratricide among Republican leaders.

Now that the Senate's controversial Medicare proposals have died in the House-Senate budget conference, the changes needed in Medicare and Social Security could require some kind of national commission. This is where the social contract yardstick, with its equity mandates, should be applied.

Sacrifice should not be imposed on Social Security or Medicare recipients until it is imposed on everyone else.

Means-testing could destroy broad support for the programs. In Medicare at least, fraud is rampant. Strong criminal statutes could save the government far more money than means-testing and age changes.

Considering the willful breach of the Rooseveltian commitment in the last decade or two, any bipartisan reform of the Social Security and Medicare systems should be postponed until an even more important debate is begun: a coast-to-coast national town meeting on the 20th century U.S. social contract and what it should mean for 21st century America.

The writer, publisher of American Political Report and author of "The Politics of Rich and Poor," contributed this comment to the Los Angeles Times.

Arming Latin America

Twenty years ago, the United States could control the terms on which Latin America bought American big-ticket defense items. It banned their sale. The American rationale was that in the absence of a credible external threat, Latin militaries would use new weapons only to strengthen their illegitimate political authority and to divert scarce funds from essential social projects.

Today there still is no perceptible external purpose to be served in a region free everywhere of the stuff of hemispheric conflict, except in the carefully watched Peru-Ecuador dispute. But Latin America's shift to democratic governance and civilian control of the armed forces has produced considerably more American confidence in Latin militaries than existed when the ban on high-tech military equipment was imposed a generation ago.

Local military establishments are clamoring to modernize. American defense contractors, seeing their competitors moving in, have joined the cry. This is the basis on which Washington has now relaxed its ban, subject to case-by-case review.

A tinge of apprehension about possible Latin backsliding lingers, and it should. Not only can some American arms sales be interpreted as advance approval of the local military's next nationalistic whim. The institutions of democratic civilian rule are not everywhere strongly moored — not even in the three largest Latin countries that are considered to be the likeliest new customers.

But Argentina, Brazil and Chile do run elections that let voters hold leaders accountable, and do allow parliaments to scrutinize their budgets. They use their forces internationally. Argentina fought in the Gulf War, while Chile helps keep the peace in Iraq, and Brazil (itself a lower-tech military exporter) in Angola. It would be awkward to pursue freer trade with these countries, as the United States has in mind, and to exclude arms from the trade to be freed.

There is, nonetheless, a soft spot in the new Clinton policy. It lies in its failure adequately to encourage Latin governments to set their own guidelines for arms purchases. The United States tried quietly to plant the idea, met some resistance and quit early. It is still a good idea. A Latin America mature enough to work its way free of patronizing foreign restrictions on its purchases of weaponry ought to be mature enough to weave its own diplomacy of restraint.

— THE WASHINGTON POST

Campfire on the Net

The on-line bookstore Amazon.com hit a public relations bonanza when it launched an "interactive novel" to be written on the Internet over the next six weeks by readers in collaboration with renowned author John Updike. The appeal of this venture, as measured in the enthusiasm with which readers have poured in contributions, turns out to be curiously old-fashioned. The game is the old one of adding chapters to a tale in round-robin style.

Each day the novel, dubbed "Murder at the Magazine," advances by one paragraph, chosen by Amazon.com staff from the submissions of the day and awarded a $1,000 prize. When Mr. Updike, who started the tale off, adds the final paragraph in September, there will be a grand prize of $100,000, along with, it is clearly hoped, lots and lots of "hits" on the web site.

Judging from the response, the charm still holds in an era in which telling stories around a campfire, or even waiting for successive installments of a story in a magazine, have long since retreated in the face of television and other less "interactive" pastimes. Nor is it the first time the shiny new Internet technology has proved, against all expectations, to tap people's persistent but otherwise invisible attachments to the communications technologies and enjoyments of the past. The widely remarked rebirth through e-mail of letter writing between parents and children is one example; another is the stunning initial success of Amazon.com itself.

The big bookstore chains such as Barnes & Noble have taken the hint and stampeded into cyberspace after Amazon.com, which is fighting back with extra discounts and innovative gimmicks, the round-robin novel contest being one. It deserves to thrive. An upsurge of book sales in cyberspace could have dramatic effects on the fortunes of the already fey and contradictory world of book publishing. This is an unfolding on-line drama worth watching, whether or not the one by Mr. Updike and his collaborators turns out to be any good.

— THE WASHINGTON POST.

Look at What Hate Groups Say

By Jeff Stein

BALTIMORE — Now showing on a computer near you: White power, skinheads, neo-Nazis and "Christian" hate groups from Norway to Utah.

Parents who have been wringing their hands over their children's access to smut on the Internet now have something else to consider: the easy availability of home pages touting hatred of blacks, Jews, Arabs, immigrants, homosexuals, white people and cops. The engines of hate are all available with a few clicks of a mouse on the World Wide Web.

A 33-year-old Harvard librarian has made the hate pages even easier to find.

Last year, Samuel Macy decided to track the hate-spewing groups after he read a Boston Globe article on a Web page for a neo-Nazi group called "Stormfront." He found that scores of hate groups, from extreme nationalists in Norway, France and Canada to so-called Christian Identity groups in the United States, were spewing their venom on the Internet. He began cataloguing their Internet addresses on a Harvard University library home page.

The project soon grew too large. So, with an initial grant from the software developer Lotus, he launched "HateWatch," a state-of-the-web operation that not only displays the net offerings of extremist groups but offers weekly audio updates on hate crimes around the world.

"I wanted to go out there and aggressively confront and contain this stuff, to expose these people to the light," he said. "These groups relish their obscurity, because it allows them to do things in a covert manner, like cockroaches. Shine a light on them, and they scurry to the corners ... They don't have popular support, but their ideas are pernicious, and they need to be shown for what they are. They do a much better job hanging themselves than I ever could."

The language of some so-called Christian Identity groups is unrestrained. Their Web pages say Jews are the product of a union between Eve and Satan, and they call nonwhites "mud people."

These groups have separate Web pages, but they are connected by a common thread, anti-Semitism. A constant theme of such "Christian" pages is that the Nazi Holocaust never happened.

Another group of Christian extremists, the World Church of the Creator, has a Web page that says: "Indeed we believe that what is good for the White Race is the highest virtue, and what is bad for the White Race is the ultimate sin."

HateWatch signals Nation of Islam Web pages that blame Jews for the slave trade. The pages include the rantings of Louis Farrakhan, and Nation of Islam dogma that says white people were genetically engineered by a mad black scientist named Yacub on an island 6,000 years ago.

Homophobia is a theme of other pages. Neil Horsley, the Creator's Right Party candidate for governor of Georgia, has a page with his campaign pledge to "arrest faggots of all types." Another page is entitled "God Hates Fags."

Mr. Macy argues that people need to know about hate groups in their regions, and how to register protests with local Internet providers.

He recently started selecting the most outrageous mail and reading it to his Web page visitors in what he calls the "Hate Mail of the Week."

"We want to bring these characters out of the light of reason, the light of good citizenry, to take a close look at them, and make them less nebulous," he says. "We say, 'Take a good look at them — this is who they are.'"

The Baltimore Sun

Stockbrokers Need to Be On-Line

AROUND a quarter of all American households now have personal computers with modems attached. The modem boom (up 35 percent in just one year) is a shot across the bow of every traditional stockbroker, financial planner and mutual fund.

Boomer investors and the younger generation behind them live on-line. They don't need intermediaries to get them investment information or take their orders. They don't want to make phone calls and wait on hold "for the next available agent." They can do it all on the Internet, 24 hours a day.

A few years from now, a financial firm that is not on the Web will effectively not be in business.

Managing money is the third most popular use of PCs (after games and teaching aids for children), according to a study by Jupiter Communications and FIND/SVP. New York City research firms on emerging technologies.

Nearly 7 million households are using assorted investment-related services, Jupiter says. Nearly 3 million are checking stock quotes.

Investing by Web is not only convenient, it is cheaper for investors who buy stocks and other products that carry sales commissions. With the click of a mouse, you can compare the fees charged by one on-line broker with another.

— Jane Bryant Quinn, in The Washington Post.

Other technology articles: http://www.iht.com/IHT/TECH/

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Stripping Off

LONDON — Both London and the provinces are experiencing intensely hot weather. Londoners went about like wet rags. Numerous deaths, plagues of mosquitoes and thunder storms are reported from various parts of the country, but the most startling weather incident occurred at the Law Courts, where the Lord Chief Justice, after having ordered doors and windows to be opened, exclaimed: "Really this is too oppressive! I shall remove my wig and gown, and allow barristers before me to do the same." He then deposited his wig on the table by his side, and several barristers timidly followed his lordship's example.

1922: Troops Riot

LONDON — Following the arrest of two of their number in a brawl, five hundred Territorials at Aberystwith [Wales] attacked the police-station there last night. Some units of the 53d Welsh Division received their pay yesterday [Aug. 4] and spent the evening in town. When two intoxicated soldiers were locked up, their comrades began the assault on the station with whiskey and beer bottles, which were hurled through the windows so fast that the police were compelled to keep within the station.

1947: American Held

WASHINGTON— The United States today demanded an apology from the Communist-dominated Hungarian government for the arrest by political police of Stephan Thuransky, an American citizen. The State Department said that the U.S. representative to the Allied Control Commission for Hungary had also "approached" the Soviet chairman in connection with the arrest.

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OPINION/LETTERS

Germans Feeling Good About NATO And Germany's Useful Role in It

By Peter Schneider

BERLIN — A new kind of war is taking place in Europe, one in which not a single shot is fired, but which nevertheless results in new divisions of territory, new drawings of borders and a new balance of power.

What I am referring to, of course, is the nearly noiseless expansion of NATO into Eastern Europe.

Astoundingly, the new balance of power has been effected with scarcely a hint of discord or even debate. Apart from the audible grumbling of the Russians, the indisputable losers in this tectonic dislocation, hardly a word of protest has been uttered.

In Germany, above all, the new, expanding North Atlantic Treaty Organization is enjoying unprecedented approval. An overwhelming 90 percent of the Bundestag supports the entrance of the new partners, and even the news media register hardly a protest.

But anyone with either a memory or an archive must be rubbing both eyes in disbelief. After all, a significant portion of my generation and the following one has always viewed NATO as an aggressive power and a threat to world peace.

It wasn't that long ago that hundreds of thousands took to the streets to protest the stationing of cruise missiles and Pershing rockets. Or marched in Bonn to protest the American-led NATO intervention against the Iraqis in Kuwait.

And while the United Nations stood by and watched for three years as genocide was carried out in Bosnia — a genocide ultimately stopped by the inexcusably belated intervention of NATO — the German peace movement thought it best to devise ways to obstruct the participation of German troops in this operation. Evoking nothing less than the "lessons of history." Greens and Social Democrats alike warned against a "militarization" of German foreign policy.

So how is it that such outspoken opponents of NATO have suddenly grown mute? Has the peace movement reconciled itself with its former adversary? Are the critics now saying the NATO generals were right to claim that the greatest and by far most successful peace movement in the world was NATO itself?

I think the matter is somewhat simpler and more complicated.

The broad but covert German acceptance of NATO expansion adheres to a concept that at least in Germany is considered politically incorrect: "national interest." The entrance of the East European partners offers a considerable boost to German security.

As John Vinocur has observed in the International Herald Tribune (July 7), thanks to the expansion of NATO the Germans find themselves in an unfamiliar situation: All of a sudden they are completely encircled by alert friends.

And they are more than happy to relinquish their role as Outpost of the Western Alliance to their new Polish, Czech and Hungarian partners.

The Poles, who for centuries have been dismembered by their two overpowerful neighbors, now seek to protect themselves by taking refuge in the relative security of NATO. It turned out that the best way to beat NATO was to join it. Besides, the more numerous the signatories, the more superfluous the alliance will become.

In any event, the primary reason for NATO's "victory" in the peaceful war with the Warsaw Pact was not its military but its political superiority. The silent war in Europe was won not by armored invasion but by people "voting with their feet."

NATO is the only military alliance in the world that has bound itself to defend freedom, human rights and democracy. Where the Warsaw Pact consistently resorted to military pressure to keep its members in check, NATO relies on a waiting list to save itself from being inundated by new volunteers.

For its part, the German army, which swelled after reunification to a size that was formidable if not downright foreboding, has been pruned back in amazingly short order. The former East German Volksarmee, a well-equipped fighting force of about 170,000, virtually dissolved into thin air — along with its equipment.

I would like to add my own small experience with NATO and Germany's new role in it.

Ultimately, despite all the objections of the NATO opponents, German units did participate in the NATO peacekeeping force in Bosnia.

In the spring of 1996, I visited the former Yugoslavia for the second time since the outbreak of the war.

In the middle of the old town of Sarajevo, I came across two German soldiers assigned to NATO as part of the peacekeeping contingent. The two men were discussing an overpriced restaurant bill. If only out of deference to the memories the German language can awaken in that country, I would have liked them to speak more softly, to walk a little more slowly, more discreetly, in their NATO boots.

A half hour later, I was sitting at a sidewalk café, just starting to doze off. In my half sleep, I saw a NATO armored personnel carrier drive by so closely I had to pull my feet in. On the camouflaged rear of the vehicle was sitting one of my two German soldiers.

I had been in the city in the middle of the war, and had ridden down the same street at 110 kilometers (70 miles) an hour in a Volkswagen with riddled window panes. My driver had explained that it was the only way of keeping out of the long-range sights of the Serbian snipers.

Now, three years later, as I watched the German-speaking soldiers roll past in their NATO vehicle, I was overcome with a feeling of gratitude I had never considered possible. Along with everyone else in the café, I was grateful for the presence of this armored personnel carrier.

I had never thought what a good thing an armored carrier can be. Whoever was driving it — evidently a German — was personally seeing to it that both the aggrieved people of Sarajevo and myself, the German tourist, could for the first time since the war bask in the spring sun and drink their coffee in relative tranquillity. This vehicle of war was the guarantee that civilian life could be resumed.

As I finished my espresso, I thought that it was good for the people in Sarajevo that this armored car had driven by, and that it was good for the German soldiers who were in it that the people in the café had waved to them. It was a new experience for everyone.

Mr. Schneider is the author, most recently, of "Couplings," a novel. He contributed this article, translated from the German by Philip Boehm, to The New York Times.



'You dirty capitalists going to let little kids starve?'

LETTERS TO THE EDITOR

Travel in Lebanon

Regarding "U.S. Lifts Lebanon Travel Ban" (July 31):

The U.S. secretary of state, Madeleine Albright, was quoted as saying that although the restrictions had been lifted, traveling in Lebanon was still dangerous for American tourists.

Having just returned from a trip to Lebanon to celebrate a friend's wedding, I was astounded by the remark. I felt safer in Lebanon than in most big Western cities.

The Lebanese and Syrian armies do maintain a high visual presence in Lebanon, manning road checkpoints and guarding monuments. I was jolted when I saw what looked like loaded AK-47s and M-16s strapped around their shoulders.

But they had no interest in scaring tourists. Approaching checkpoints, I received nothing but bored hand signals waving me on. At the Roman monument in Byblos, a soldier happily posed for a photo.

Visiting the Roman temple in Baalbek in the Bekaa, the alleged home of the militant group Hezbollah, the only real threat to my person came when I was stricken with Beirut belly and couldn't find a toilet.

My guidebook said Lebanon was one of the few countries in the world where women could hitchhike safely. You couldn't say that about the United States.

KAREN BERGAN.
London.

Outer Space Treaty

Mahmood Elahi (*Letters, July 30*) wrote that the landing of Pathfinder on Mars "raises a number of legal and political questions." He said there was a need to define the role of nation-states in the exploration and colonization of the red planet, perhaps through a United Nations convention.

In fact, the Outer Space Exploration Treaty of 1967 prohibits the annexation of celestial bodies such as the moon and Mars.

TONY MARTIN.
London.

A Posthumous Tribute To Frank Lloyd Wright

By Karl E. Meyer

NEW YORK — The ribbons were finally cut the other day at Monona Terrace in Madison, Wisconsin, six decades after the convention and civic center was first proposed, and 38 years after the demise of its creator. Yet Frank Lloyd Wright was clearly a presence at the inaugural fete.

As if on cue, storm clouds hovered behind the arched lakeside structure as the state's political leaders offered their safely posthumous praises to a rare Wisconsinite known the world over.

To those of us from Madison familiar with the background, it

MEANWHILE

was a splendid epiphany, a fitting end to an unseemly dispute. Not once while he lived was Frank Lloyd Wright granted a commission for a public building by his state or by its great university.

In 1938, at the request of art-minded local citizens, Wright prepared plans for a "dream civic center" on the shores of Lake Monona, three blocks from the State Capitol. City authorities raised practical objections.

Wright redesigned it five times, without a fee. The project became a bitter political issue, owing partly to the architect's libertarian ways and views.

Remarkably, Monona Terrace provoked seven referendums, recurrent court challenges and the passage of a special state law in 1957 banning construction of any lakeside building more than 22 feet (7 meters) high.

"Every aspect of this building has been dissected, resected and warmed, grilled and stewed — and me along with it," remarked Tony Putnam, who as a Wright apprentice worked on the plans in the 1950s and who led the final redesign team after the $67 million project was revived and approved in the 1980s.

Thus its completion heralds a new millennium, a century after Wright completed his first radical structure, Romeo and Juliet, an octagon-shaped wooden windmill at his family farm in Spring Green.

Indeed, Monona Terrace is emblematic of this regenerative genius who prevailed over bankruptcy, scandal, fire and the sly gibes of colleagues. As Meryle Secrest notes in her biography, Wright took his inspiration from the Welsh poet-savior Taliesin, with his wand and magician's cape, a spinner of riddles whose name means radiant brow, a mythic druid destined to die and be reborn.

So it was that Wright moved restlessly from style to style and place to place, ranging from Chicago to Berlin, from Los Angeles to Tokyo.

Still, he always returned to seek renewal in the hills of Wisconsin, and there he began building Taliesin in 1911. A few years later Taliesin was destroyed by a fire set by a demented servant, which killed Wright's mistress and her children. He immediately began Taliesin II, rebuilt it again after two more fires in the 1920s and started his own school of design.

With banks nipping at his heels during the Great Depression, Wright purchased 800 acres (320 hectares) near Scottsdale, Arizona, moved his family and fellowship south during the winter and from scratch built Taliesin West.

Like a force of nature, he undertook major commissions in his 60s — the Guggenheim Museum, Edgar Kaufmann's Fallingwater in Bear Run, Pennsylvania, the Johnson Wax factory in Racine, Wisconsin — and in spare moments he rewrote his autobiography three times.

Outwardly he was impossible, preferring, as he said, an honest arrogance to mock humility. Yet neither his imagination nor his work was set in concrete.

Taliesin in Wisconsin was never finished, nor intended to be finished, as guides explain to visitors surprised by its capricious catwalks and illogical nooks. He was true to the old Turkish saying "When the house is completed, death comes in the door."

Now his afterlife seems just as unfinished. Wright would have been amused by the Monona Terrace dedication testimonials from Governor Tommy Thompson, a conservative Republican, and Paul Soglin, the former mayor of Madison and a onetime anti-Vietnam War radical — and even more amused by talk of building a Lake Monona boathouse whose blueprints were recently rediscovered. He first proposed the project while he was still an apprentice — in 1893.

The New York Times

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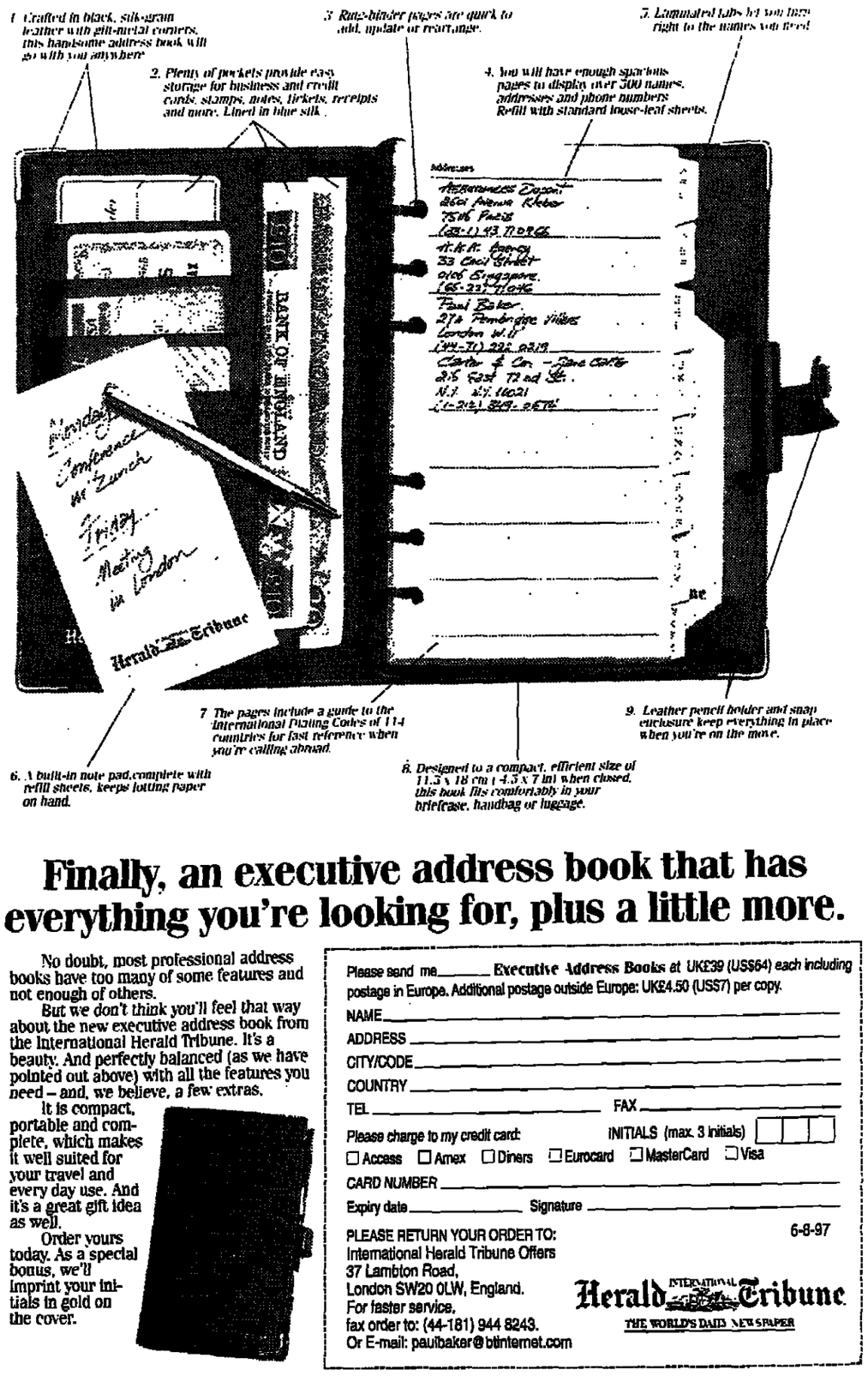
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TOMORROW: HEALTH SCIENCE

Uneasy Freedom For Filmmakers

New Wave From East Europe?

By Alan Riding
New York Times Service

KARLOVY VARY, Czech Republic — While Moscow was ruling Eastern Europe, the region's moviemakers knew where they stood. If they made conformist films, they were assured of government financing. If they stepped out of line, their films would be banned.

Yet, as soon as political controls were relaxed in Czechoslovakia, Poland and Hungary at different moments of the 1960s and 1970s, directors of the stature of Milos Forman and Roman Polanski promptly appeared. Surely, then, with the collapse of Communist governments, a new New Wave of East European movies would not tarry.

So, where is it?

The last eight years have changed the region beyond recognition. Ancient lands have rediscovered their identities; new countries have been created. Most have freely elected governments, and many have come to terms with the good and the greed of market economies. Yet, puzzlingly, in film, that most exportable of art forms, expectations have so far been disappointed. Could it be that democracy is a lesser muse than dictatorship?

Certainly, freedom's unannounced arrival stunned the region's filmmakers. They were no longer muzzled but, as government subsidies were slashed or canceled, they struggled to find money for even low-budget productions. New television stations, cable channels and booming video sales began stealing traditional moviegoing audiences, forcing hundreds of dilapidated government-owned movie theaters to close.

Surviving theaters — plus a handful of new cineplexes — were soon showing Hollywood movies almost exclusively.

Then there was the predicament faced by directors who for so long had been silenced or had been forced to convey their screen message through obscure codes and symbols in a kind of unspoken conspiracy with audiences.

"When you're not allowed to talk, you know what you want to say," explained Forman, the Czech director who made his name with such films as "Loves of a Blonde" and "The Firemen's Ball" during the Prague Spring of the mid-1960s and who opted for exile in the United States after the Soviet invasion of Czechoslovakia in 1968. "Censorship identifies what's worth talking about. But when you're free, you have to decide what's important. And that's more difficult."

There were other unpleasant surprises. Under communism, American and European audiences eagerly embraced Soviet bloc movies that "escaped" to the West — those by, say, Forman, Jiri Menzel ("Closely Watched Trains") and Jan Nemec ("The Report on the Party and the Guests") from Czechoslovakia, or Polanski ("Knife in the Water") and Andrzej Wajda ("Ashes and Diamonds") from Poland, or Istvan Szabo ("Mephisto") from Hungary.

Then, almost overnight, East European films found themselves struggling no less than other foreign-language productions to find distributors in the United States and Western Europe. If once the magical aura of political dissidence had sufficed, now they had to measure up as entertainment.

Still, if at times they have come close to despair since 1989, filmmakers in Eastern Europe have not given up, above all in the Czech Republic, Poland and Hungary, countries with traditions worth reviving.

In the past, governments determined movie budgets; now independent producers must put together packages involving domestic and West European investors, the Council of Europe's Eurimages Fund and, above all, newly affluent television companies.

THE great majority of the movies made in the region since 1990 have been eminently forgettable: cheap pastiches of American action films, and soft-porn movies galore.

Yet there are encouraging signs. Across the region, serious directors have begun tackling the great untouchable subjects of the last half-century, from the Nazi occupation and the Holocaust to the tedium and oppression of the Communist years.

Some, among them Krzysztof Kieslowski, the Polish director who gained international acclaim for "Blue," "White" and "Red" before his death last year, have also looked at the new moral questions posed by the onslaught of primitive capitalism.

This very seriousness also poses a problem. Many moviegoers in Eastern Europe prefer the escapism of Hollywood (and even locally made) action movies to the discomfort of confronting an unpleasant past and a confusing present. In any event, the blockbusters are what is on offer because theater owners feel more secure showing American movies, which now account for more than 90 percent of the box-office take in the region.

Further, the dramatic drop in the number of available screens (from 3,081 in Bulgaria in 1989 to just 209 in 1996, for instance) insures that thoughtful movies from Eastern Europe can be seen by few people, even in their countries of origin.

Fairly typical is "Bolshe Vita," a film by the Hungarian newcomer Ibolya Fekete about three Russian men and two Western women who meet in Budapest as communism crumbles. It was well received at several festivals but was seen by just 4,700 people over a 10-week period when it was released in Hungary last year.

In contrast, Istvan Bujtor's "Three Guardsmen in Africa," a locally made comedy with no political content, drew 207,000 moviegoers, but even so it ranked only eighth, behind American films like "Independence Day" and "Twister," among the hits of 1996.

Unsurprisingly, East European films that have won prizes in festivals struggle to find buyers in Western Europe and the United States. Emir Kusturica's "Underground," a surrealistic allegory about postwar Yugoslavia, which won the Palme d'Or in Cannes in 1995, was ignored by American distributors.

So far, only one post-Cold War movie from Eastern Europe — "Kolya" by Jan Sverak of the Czech Republic — has been a big success. Still showing in the United States six months after its release, this poignant story of an abandoned Russian boy and a womanizing Czech bachelor won the Academy Award for best foreign-language film this year and has so far earned almost $13 million worldwide.

The Karlovy Vary International Film Festival, which took place last month, hopes to change this. Throughout the Communist era, this elegant spa town formerly known as Carlsbad, in the western Czech Republic, was host to a biennial festival of government-approved films from the Soviet bloc. It also carefully selected movies from the West.

Now, however, the festival has been revamped to be held annually and sees its role as a display window — and above all a marketplace — for the best movies from Eastern Europe.

"It's very important to give space to this cinema," said Eva Zaoralova, the festival's director. "In the past, the Cannes and Berlin festivals would look for films from Russia, Hungary or Poland, but now they say there is nothing interesting being done there, that there's a crisis of aesthetics.

"I don't think this is true. But since these festivals are snubbing Eastern Europe, we can profit from this and make our own discoveries."



Miramax Films

The Czech Jan Sverak, whose "Kolya" has been a global success.

Doing 'Pygmalion' The Slim-Line Way

By Sheridan Morley
International Herald Tribune

LONDON — To lose one director and star on a short pre-London tour of a revival as safe as George Bernard Shaw's "Pygmalion" (Albery) might, as Lady Bracknell never said, be considered unfortunate; to lose two of each begins to look ominously like carelessness. All the same, we are now seeing the third star and the third director involved in this project within two months, and they have retrieved a disaster only to replace it

LONDON THEATER

with an immensely efficient and competent if somehow vaguely unsatisfying staging.

True, there is always a problem with running "Pygmalion" at its full three hours. During the more loquacious scenes one begins to yearn for a song or two from "My Fair Lady," especially as the genius of Alan Jay Lerner was to take many of these great Shavian speeches and set them virtually unchanged as lyrics. Moreover, any director now approaching the non-musical script still has many options: Do we go with the play in one of the many versions Shaw wrote of it, or with the film script he wrote for Leslie Howard and Wendy Hiller in the 1930s, or with the Lerner cut, and if so does Higgins end up with Eliza or just his "damned slippers"?



Mark Douet

Carli Norris as Eliza.

All these options are permissible since Shaw himself explored them at some length himself; but what the master of farce Ray Cooney has done for the present production is essentially the slim-line version, getting the script down to two brisk hours by deleting whole sequences of Eliza's linguistic education and several of the quarrels between Higgins and his termagant mother.

There are some splendid performances here, especially from Moray Watson as Colonel Pickering and Marcia Warren as the long-suffering housekeeper, Mrs. Pearce; but Barbara Murray is a somewhat lightweight Mrs. Higgins, and the drama-school "discovery" Carli Norris is attractive and fearless but goes out there an unknown and comes back a hugely reliable stand-in who, given luck and more experience, may develop into an interesting talent.

Michael Elphick's Doolittle is in the best Stanley Holloway tradition, but, as Higgins, Roy Marsden offers a touching overgrown schoolboy with a mother fixation but no very plausible charm with which to ensnare his wary pupil; there are even moments when one starts to think she might be rather better off with the appallingly chinless Freddy Eynsford-Hill.

About "Art" (Wyndhams) I have to say that I still don't get it. This is the conversation piece that opened in London nine months ago to huge acclaim with a cast headed by Albert Finney and Tom Courtenay, having already been staged in 20 European capitals in the two years since Yasmina Reza had written it in France. It has become the first truly legitimate Euro-hit.

But why ? Why has this 90-minute dialogue among three friends taken off like the Concorde? Can it be the script alone? Surely not; even Christopher Hampton's immensely elegant, spare translation cannot disguise the fact that there only two issues here: the importance of preserving friendships and modern art's existing solely in the eye of the beholder. Is it then the acting? Certainly, this week's new cast (Henry Goodman, Roger Allam and Stanley Townsend) have got it together rather more subtly and effectively than their starry forerunners, but some other clue is needed.

When I reviewed the London staging unfavorably, the argument of those who disagreed with me seemed to be that the play was immensely chic and mercifully brief. They wrote of "Art" almost as though it were a new restaurant by Terence Conran, minimalist, elegant and the place to be seen, and in that sense it may have broken new ground by tempting into the stalls a fashionable London audience. If so, good luck to "Art." Its admirers may just possibly move on to explore other, less fashionable but perhaps better, new plays.

If you wish to escape theater foyers and indeed sidewalks that have not in my recollection been so tourist-packed since the 1960s heyday of Swinging London, you could do a lot worse than the cool basement bar of the Pizza on the Park where Steve Ross , the quintessential Coward and Porter pianist, has now given up his piano stool to Andrea Marcovicci, the greatest cabaret singer of her generation and a Don Smith discovery from the Algonquin in New York. She plays Tuesday through Saturday through August, giving way then to Richard Rodney Bennett in the richest cabaret summer I can ever recall over here.

BOOKS

THE LAST GOVERNOR

By Jonathan Dimbleby. 462 pages. £25. Little, Brown.

Reviewed by
Philip Bowring

THIS account by the well-known British journalist Jonathan Dimbleby of Chris Patten's five years as governor of Hong Kong is essentially written from Patten's perspective. As such it is a sympathetic, without being obsequious, portrayal of someone who when he left Hong Kong a month ago was at least as popular in the community at large as when he unveiled his 1992 proposals for a modest advance in representative government.

In between he had endured, usually but not always with grace and humor, everything that Beijing, self-interested businessmen and assorted colleagues from London could throw at him.

However, in the hands of a Hong Kong writer, or of a British writer with fewer ties to the British establishment, there is material here that would lead unequivocally to three conclusions:

- The betrayal of the Hong Kong people's interests in self-governance between the 1983 Joint Declaration on the future of Hong Kong and the arrival of Patten was greater and more deliberate than even the cynics among them had imagined.
- The ability of British officials to keep secret matters that not only do not touch on national security but also are of direct constitutional interest to millions of its subjects is a major blot on its democratic institutions.
- A closed and self-perpetuating civil service elite is able to create and operate its own agenda. The satirical British TV series "Yes, Minister" — depicting how the bureaucracy outmaneuvered its political masters — was close to the mark.

The tragedy for Hong Kong was that it had three successive diplomat governors who could never quite escape from the influence of their London peers, and particularly Sir Percy Cradock. It was this Beijing ambassador and leader of group of academic Sinologists in the Foreign Office who masterminded policy toward China, and by extension toward Hong Kong's political arrangements.

At every step, Cradock sought to appease China by obstructing Hong Kong's political development along the lines its people thought had been promised in the Joint Declaration and a subsequent white paper on representative government. On his retirement Cradock set himself up as Patten's principal scourge, taking his campaign to anyone who would listen in Hong Kong and London. His remarks persistently gave much comfort to Beijing and his former diplomatic colleague, Zhou Nan, head of the Hong Kong branch of Xinhua, the Chinese Communist Party's propaganda arm.

The early history of British surrenders to Beijing over democracy in Hong Kong is well enough known to those in Hong Kong at the time: promises to Hong Kong never kept; a survey of local opinion whose results were turned upside down at the Foreign Office's behest to pretend that people did not want direct elections. Dimbleby describes these as a "blatant act of perfidy."

However, worse was to some in a series of secret discussions with Beijing, some conducted by Cradock, which effectively enabled China to dictate the nature of change in Hong Kong without reference to the interests or expectations of Hong Kong — a community of which Cradock, like most of his diplomatic colleagues, had little experience.

Dimbleby not only reveals these discussions but also notes that Patten was only informed of their existence after he had formulated his constitutional proposals. Patten could justifiably argue that all were in accord with China's Basic Law for Hong Kong but is a moot point whether they went back on the secret "previous agreements and understandings" as Beijing claimed.

Either way, Britain's prior behavior, its dishonesty, secrecy and blatant attempts to gain commercial advantage from undermining Hong Kong's expectations, was ignominious — particularly after the 1989 Tiananmen massacre heightened local interests in representative government.

Patten's efforts may ultimately come to naught. But he did leave Hong Kong with the population thinking better of Britain than was deserved by most of its post-1983 actions and with Hong Kong enjoying more open government than appears to exist in a Britain where secret deals made by civil service Mandarins pass with little comment.

The constitutional issues aside. Dimbleby's book is well written and comprehensive but contains little that would be new to Hong Kong readers and perhaps has too many names and faces to be easily digested outside Hong Kong. Its sources are limited and it barely addresses Patten's obvious failures — shying away from tackling oligopolies in banking, law, etc. that he identified, and allowing housing production to slump, to the great profit of a cartel of developers.

The quality of the photos is quite extraordinarily bad for a book of this sort. But on the key constitutional issues it is an important contribution and merits more detailed follow-up.

International Herald Tribune

BEST SELLERS

New York Times
This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

FICTION

This Week		Last Week	Weeks on List
1	UNNATURAL EXPOSURE, by Patricia Cornwell		1
2	SPECIAL DELIVERY, by Danielle Steel	1	4
3	PLUM ISLAND, by Nelson DeMille	2	9
4	FAT TUESDAY, by Sandra Brown		7
5	COLD MOUNTAIN, by Charles Frazier	7	4
6	THE PARTNER, by John Grisham	5	21
7	THE NOTEBOOK, by Nicholas Sparks	8	41
8	DECEPTION ON HIS MIND, by Elizabeth George	12	3
9	POWER OF A WOMAN, by Barbara Taylor Bradford	6	3
10	UP ISLAND, by Anne Rivers Siddons	4	8
11	LONDON, by Edward Rutherfurd	9	9
12	CHASING CEZANNE, by Peter Mayle	10	6
13	THE MAZE, by Catherine Coulter	11	3
14	IF THIS WORLD WERE MINE, by E. Lynn Harris		1
15	FATAL TERRAIN, by Dale Brown	15	2

NONFICTION

1	ANGELA'S ASHES, by Frank McCourt	1	46
2	INTO THIN AIR, by Jon Krakauer	2	13
3	THE PERFECT STORM, by Sebastian Junger	3	8
4	THE BIBLE CODE, by Michael Drosnin	4	7
5	BRAIN DROPPINGS, by George Carlin	6	9
6	MIDNIGHT IN THE GARDEN OF GOOD AND EVIL, by John Berendt	5	159
7	CONVERSATIONS WITH GOD: Book 1, by Neale Donald Walsch	8	33
8	THE MILLIONAIRE NEXT DOOR, by Thomas J. Stanley and William D. Danko	9	28
9	THE GIFT OF FEAR, by Gavin de Becker	7	5
10	JUST AS I AM, by Billy Graham	11	12
11	MARTHA STEWART - JUST DESSERTS, by Jerry Oppenheimer	10	3
12	CONVERSATIONS WITH GOD: Book 2, by Neale Donald Walsch	13	11
13	UNDERBOSS, by Peter Maas	14	14
14	BILLIONS AND BILLIONS, by Carl Sagan		1
15	INTO THE STORM, by Tom Clancy with Fred Franks Jr.		8

ADVICE, HOW-TO AND MISCELLANEOUS

1	MIRACLE CURES, by Jean Carper		1
2	SIMPLE ABUNDANCE, by Sarah Ban Breathnach	1	69
3	MEN ARE FROM MARS, WOMEN ARE FROM VENUS, by John Gray	4	201
4	MARS AND VENUS ON A DATE, by John Gray	3	5

Britain's Channel 5: Rocky Start

By Sarah Lyall
New York Times Service

LONDON — Started in March with a huge wave of publicity, a catchy slogan ("Give Me Five") and an appearance by the Spice Girls, Channel 5 was meant to bring fresh air to British broadcasting.

But four months later, Channel 5 — which has joined Britain's two BBC stations and two commercial stations as the country's fifth noncable, nonsatellite station — is still struggling to find its way. While some of the problems that have bedeviled it can be forgiven as common to any start-up station, others seem more troubling, industry experts say.

These include technical difficulties that have left nearly 40 percent of British households unable to get the station and a programming lineup that has failed to capture the imagination, or the attention, of much of the public.

"They haven't brought a radically new dimension to British broadcasting, with programs that people can get excited about," said Rob Brown, media editor of The Independent. "They seem to be trying to do the same thing as everyone else, only more cheaply."

But David Elstein, Channel 5's chief executive, says that people are just adjusting to the station's presence and that things are running smoothly. He said in an interview that the station had met its own expectations so far, with advertising revenue in line with its business plan.

Channel 5, which is owned by a consortium of investors, took in £29 million, or $47.3 million, in its first three months on the air, people in the industry said, and it expects to take in £80 million by the end of its first nine months.

And although Channel 5's ratings seem low, with audience shares generally in the 3 percent range, Elstein said that was expected, too.

"We got on the air on time, on target and in good shape, and we've hit all our targets," Elstein said. "Viewing habits are rather conservative here, and changes do take time."

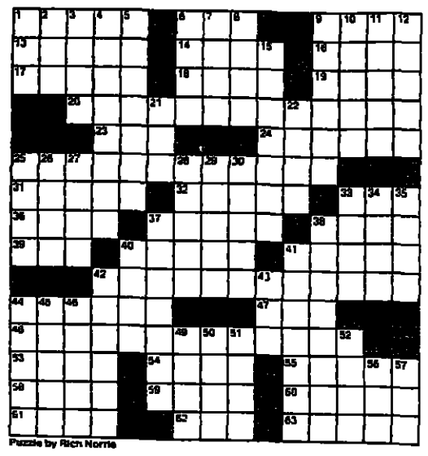
One of Channel 5's most popular programs is "Xena, Warrior Princess," which regularly draws 800,000 viewers. Other popular programs have included "Plastic Fantastic," a documentary series on plastic surgery; "Instant Gardens," a gardening series, and "Family Affairs," a five-night-a-week soap opera. The station has also been successful with some sports broadcasts.

But nothing has yet caught fire, it seems. "Their branding is super, and the look of Channel 5 on the screen really does give it an identity," said David Cuff, broadcast director of Initiative Media, a media management company in London. "But the programs they have are fillers. They haven't got anything that people must watch."

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59 Semi support
60 Troy story
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62 Cap that may be partly plaid
63 Watchers

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11 Sosur's sibling
12 Brains
15 Undoes
21 ——Tiki
22 Reinking and Richards
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29 Actress Beulah
30 First name in *rock*
33 Passageway
34 River through Bern
35 One whose work is always changing
37 Southwestern saloon
38 With old-fashioned charm
40 Where Virgo meets Libra, e.g.
41 Actress Kurtz
42 Lumber mill fixture
43 All clocks are set by it: Abbr
44 Musicians' org.
45 Thief's secret
46 *Tre + quattro*
49 Bakery call
50 Festive
51 Rose part
52 Northwest Pennsylvania city
56 Scull
57 Rx writers



Puzzle by Rich Norris

© New York Times/Edited by Will Shortz.

Solution to Puzzle of Aug. 5

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Major Bank In Russia Wins Stake In Norilsk

Compiled by Our Staff From Dispatches

MOSCOW — A group led by Uneximbank, one of Russia's biggest banks, won an auction Tuesday for control of RAO Norilsk Nickel, said Dmitry Ushakov, chairman of the commission organizing the sale.

The sale of Norilsk, one of Russia's leading industrial enterprises and a major international metal producer, took place despite a last-minute complication when Prime Minister Viktor Chernomyrdin ordered that it be suspended.

A group bidding under the name Svifi, including Uneximbank, bid 236.2 million European currency units ($250.3 million) for a controlling 38 percent stake in Norilsk, topping a bid of 171 million ECUs from a group bidding under the name Advanced Industrial Technology, said Mr. Ushakov, who also is deputy chairman of Uneximbank.

Uneximbank has been custodian of the shares since 1995, when it lent the government $170 million and held the shares as collateral in one of a series of "shares-for-loans" auctions that transferred control in many large Russian companies to banks. Uneximbank has been under fire from the media and from banking officials since it won a tender last week for 25 percent of the AO Svyazinvest telecommunications company.

Mr. Chernomyrdin wanted to have the sale delayed because of concerns that it violated Russian law and would give the Unexim group control over a prize asset at a bargain price. But a representative of the government said all legal concerns had been laid to rest.

"Norilsk was the jewel in Uneximbank's crown," said Philip Manduca at London-based Eldon Capital Management Ltd. "They had already invested significant amounts of capital and time in the company, and they were never going to let it go."

The winning bidder is obliged to invest $300 million to help Norilsk develop the Pelyatinsk gas field to supply fuel to Norilsk's plants and to pay Norilsk's debts to pensioners and other costs totaling about 400 billion rubles ($69 million). *(Reuters, Bloomberg)*



Josh Sloan Reich/The Associated Press

A customer waiting to mail four boxes, the maximum accepted by the U.S. Postal Service during the UPS strike.

'Part-Timer' Issue Drives UPS Strike

By Steven Greenhouse
New York Times Service

NEW YORK — The walkout against United Parcel Service of America Inc. stems from the inevitable clash of two powerful forces in the U.S. economy — the revitalized labor movement's opposition to the use of part-time workers and corporate America's contention that it needs them to remain competitive.

That collision pushed the International Brotherhood of Teamsters to begin a strike Monday against 2,400 United Parcel depots — a high-visibility move that involves more workers than any strike so far this decade.

United Parcel Service managers who worked their way up through company ranks climbed back into delivery trucks and package sorting lines Tuesday, while customers had to make do with limited shipping alternatives.

Most of the company's European services remained unaffected by the strike, and its 24,000 employees there were working normally, a UPS Europe statement said. But traffic from the United States "is expected to be somewhat impacted," the statement added, although the strike was expected to have little effect on U.S.-bound shipments.

NEWS ANALYSIS

"All international volume to and from the U.S. is receiving top priority," the company said.

No talks were scheduled Tuesday between the company and the Teamsters, and President Bill Clinton refused to get involved to end the nationwide strike, The Associated Press reported from Atlanta.

"I hope they'll go back to the table," he said, "but at this time I don't think any further action by me is appropriate."

Even before the 185,000 drivers, loaders and sorters walked out, the Teamsters drew a line over the issue of part-time workers.

With the U.S. economy and United Parcel's profit booming, the Teamsters are angry that only 8,000 of the 46,000 unionized jobs that the company has created since 1993 have been full-time. On average, the part-time jobs pay $9 an hour after two years, while full-time jobs pay $19.95 an hour.

In an era in which flexibility and speed are corporate watchwords, United Parcel sees the lower-paid part-timers as an economic lifeline.

In a quick-turnaround business, cor-

See UPS, Page 15

Pro-China Tycoon Buys His Way Into Jardine

Li's Move Prompts Takeover Speculation

Compiled by Our Staff From Dispatches

HONG KONG — Li Ka-shing has bought a $370 million stake in Jardine Matheson Holdings Ltd. and its real-estate subsidiary, prompting speculation that the pro-Beijing billionaire could be planning a takeover of the territory's oldest British-founded trading firm.

Jardine Matheson said Tuesday that Cheung Kong (Holdings) Ltd. and its Hutchison Whampoa Ltd. unit, both controlled by Mr. Li, together held a 3.03 percent stake in Jardine and a 3.06 percent stake in Hongkong Land Co. as of Friday.

Cheung Kong's motives were unclear, analysts said, but the stakes sparked debate about a possible takeover bid for either Jardine or Hongkong Land, which is the biggest landowner in Hong Kong's Central business district.

Cheung Kong, along with several other big companies, made a raid on Hongkong Land in 1987. After the October 1987 global stock-market plunge, the raiders sold the shares back to Jardine and agreed not to attempt another takeover for seven or eight years, analysts said.

"Naturally," said Herbert Lau, an analyst at the brokerage Vickers Ballas, "the local market will look back to the 1980s and Li Ka-shing's earlier hostile takeover bid on Hongkong Land. People will be wondering whether he is preparing to launch a renewed bid."

The move would also fit with Cheung Kong's real-estate plans, analysts said. Cheung Kong plans to develop 2 million square feet (180,000 square meters) of office space in Central in the coming three or four years.

The company is probably building up a stake in the two Jardine companies to gain access to Hongkong Land's assets, said Mark Simpson, head of research at Schroder Securities.

"They are trying to greenmail assets out of the Hongkong Land portfolio," he said. "Cheung Kong might be counting on those assets for redevelopment."

The managing director of Jardine Matheson, Alasdair Morrison, would not directly respond to such speculation.

"We just believe that they bought the shares because they recognize good value in the companies," he said.

Some analysts discounted the idea of a takeover.

"If you look at Cheung Kong, at any sort of takeover bid, I think it is extremely unlikely given the present shareholding structure of Hongkong Land," an analyst at an Asian securities house said.

The Jardine group holds about 32 percent of Hongkong Land through Jardine Strategic Holdings Ltd., which was set up after the 1987 raid as an investment vehicle to hold the group's investments in listed companies.

Teresa Wong, an assistant to the group company secretary, N.M. McNamara, said Jardine Matheson's directors were "quite comfortable" with the Cheung Kong companies as shareholders.

"As a matter of courtesy," she said, the directors were told of the intention to buy before the official disclosure statement was issued.

Ms. Wong said that the Cheung Kong companies had not spelled out the motive for the purchases and that she could offer no comment on whether the Jardine group intended to seek clarification.

The stakes indicate Chinese companies' interest in stakes in British-linked companies after the July 1 handover of Hong Kong to China, analysts said.

While Pamela Lam, research director at Pacific Challenge, dismissed the purchase as too minor to have any fundamental impact on Cheung Kong and Hutchison, she said it was symbolic of the interest by Chinese capital in stakes in British-controlled companies.

"In this sense the symbolic meaning is far greater than any immediate effect," she said.

In 1994, Jardine moved its secondary listing to Singapore, where it trades in U.S. dollars. There, its shares closed 80 cents higher at $7.85, while Hongkong Land rose 53 cents to $3.08.

Though most of its businesses are in Hong Kong, its stocks no longer trade there. Jardine has been widely reported to be seeking to relist in Hong Kong after getting assurances from Chinese officials that Beijing was willing to provide assistance to Jardine's businesses in China. Cheung Kong's shares finished unchanged at 87.50 Hong Kong dollars ($11.30), while Hutchison Whampoa shares rose 1.25 dollars to 78.75.

(AFP, AFX, Reuters, Bloomberg)

MEDIA MARKETS

Tower Air Trumpets Safety, Not Price

By Kenneth N. Gilpin
New York Times Service

NEW YORK — Some airlines often hint in their ad campaigns that they are safer than their competitors, but in the wake of the ValuJet Airlines Inc. and Trans World Airlines Inc. disasters, at least one, Tower Air Inc., felt it needed to put a more explicit edge on its message.

General concern about safety among low-cost, start-up airlines and some negative publicity about Tower Air's own safety record led to a sharp drop in load factors, or seats filled on a percentage basis, at Tower following the ValuJet and TWA crashes last year. To restore confidence among travelers, the airline radically altered its advertising strategy.

In the spring, Tower began a $5 million print and television campaign touting itself as "the perfect size airline," one big enough to operate a fleet of 17 Boeing 747 aircraft but not so small as to outsource its maintenance work, a direct slap at smaller airlines like ValuJet, which was criticized for the practice after the crash.

Tower's print ads have been running in all three major New York dailies, as well as in The Los Angeles Times, The San Francisco Chronicle and The Miami Herald — all in cities that Tower Air serves. Television ads, which had been running earlier this summer, will resume in September.

Previously, Tower Air, which is based in New York, spent much of its advertising dollars promoting its cheap, unrestricted fares from Kennedy International Airport to destinations like Miami, Paris, Athens and Tel Aviv.

Before ValuJet's fatal crash, "the public used to have faith the Federal Aviation Administration would take care of them, and they didn't distinguish between carriers," said Glenn Engel, an analyst at Goldman, Sachs & Co. But after the crash, "the public punished all small carriers," Mr. Engel said. "I never like it when a company criticizes a competitor, but Tower needed to establish a brand name."

Gad Romann, president of Romann & Tannenholz, the agency that won the Tower Air business late last fall after the carrier put its account under review, said his mandate was straightforward.

"We were told to communicate, 'We are a thoroughly safety-conscious airline,'" he said. "We want to tell the prospective passenger we share the same values, to communicate clearly the security and safety aspect of Tower and the length the airline goes to provide that."

Competitive fares are still part of the message, but get less emphasis.

"Fare strategy will still be the point of our overall marketing strategy," said John Ruzich, Tower Air's vice president of marketing and sales. "But the message is we will produce a low, highly unrestricted fare that comes along with experience, full service and wide-bodied airplanes," Mr. Ruzich said. "The mission of the campaign is to separate Tower from the new, start-up airlines and move it toward an axis between the start-ups and the more traditional carriers."

Tower, which was founded 11 years ago, also had to overcome some bad publicity surrounding an incident in December 1995, when one of its 747s slid off a runway at Kennedy Airport, as well as an Federal Aviation Administration report that rated it last of 23 carriers in safety between 1990 and 1996.

The sting of that report was eased somewhat last month by a study conducted by the Air Travelers Association, a passenger representative group in Washington. In its first Airline Safety Report Card, which tracks the fatal-accident record of 260 scheduled passenger airlines in 107 countries using Western-built jet aircraft, the association gave Tower an "A."

"We know they have had a number of incidents, from minor to somewhat serious," said David Stempler, the association's president. "But based on the number of flights and no fatal accidents, they had a perfect score."

Mr. Ruzich said that load factors had been rising, and on July 21 Tower Air reported second-quarter net income of $3.6 million, up 24.1 percent from the comparable period in 1996. The airline posted a loss of $1.8 million for the first half of the year, significantly less than its net loss of $5.2 million for the first six months of last year.

"We have turned the company around, and right now all the arrows are pointing in the right direction," Mr. Ruzich said.

CURRENCY & INTEREST RATES

Cross Rates

Aug. 5

	$	£	DM	FF	Lira	BFr	SFr	Yen	C$	Peseta
Amsterdam	2.115	3.4455	1.1265	0.3336	0.1152*	—	1.209	1.7745*	1.5305	1.332*
Brussels	38.51	63.18	20.5025	6.12	2.199*	18.205	—	25.3975	0.2291	24.575*
Frankfurt	1.8815	3.0915	—	0.2963	0.1021*	0.8878	0.8259*	1.2257	1.5894*	1.2617	1.1801*
London (a)	1.6774	—	3.0577	10.3223	3.5903	3.4403	63.1412	2.4956	193.85	2.247	258.4283
Madrid	156.782	258.251	84.906	25.006	8.636*	75.022	4.0926	103.2695	134.005*	114.845	—
Milan	1,838.25	2,992.65	978.45	289.74	—	868.46	47.355	1,197.85	15.51	1,332.95	11.589
New York (b)	—	1.6265*	1.1077	0.3465	1.843 OO	2.1169	38.83	1.535	119.25	1.3804	158.85
Paris	6.3415	10.324	3.3768	—	0.3451*	2.9978	0.1626	4.1383	5.3547*	4.973	3.9935*
Tokyo	118.55	193.70	63.71	19.88	0.649	56.57	3.0864	77.92	—	86.03	0.755
Toronto	Not Available										
Zurich	1.5305	2.4899	0.8167	0.242	0.0835*	0.7253	3.9558*	—	1.2824*	1.1774	0.9644*
1 ECU	1.2557	0.6486	1.9829	6.6858	2.3040.23	2.2236	40.9438	1.818	125.046	1.4578	167.661
1 SDR	1.3678	0.8218	1.5359	0.547	n.a.	9.1004	52.8382	2.0672	159.51	n.a.	214.016

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York rates at 4 P.M. and Toronto rates at 3 P.M.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9999	Greek drac.	292.79	Mex. peso	7.805	S. Afr. rand	4.6535
Australian $	1.349	Hong Kong $	7.74	N. Zealand $	1.5432	S. Kor. won	888.60
Austrian sch.	13.213	Hung. forint	196.31	Norw. krone	7.7342	Swed. krona	8.0478
Brazil real	1.083	Indian rupee	35.718	Phil. peso	28.50	Taiwan $	28.62
Chinese yuan	8.2913	Indo. rupiah	2615.00	Polish zloty	3.47	Thai baht	31.85
Czech koruna	34.35	Irish £	0.7009	Port. escudo	190.09	Turkish lira	159045.
Danish krone	7.1565	Israeli shek.	3.5328	Russ ruble	5810.50	UAE dirham	3.6705
Egypt. pound	3.3938	Kuw dinar	0.305	Saudi riyal	3.75	Venez. polív.	494.50
Fin. markka	5.5936	Malay. ring.	2.6365	Sing. $	1.4705		

£

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6259	1.6240	1.6220	Japanese yen	118.15	117.67	117.15
Canadian dollar	1.3771	1.3729	1.3727	Swiss franc	1.5251	1.5201	1.5128
Deutsche mark	1.8729	1.8703	1.8666				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Societe Generale (Paris); Bank of Tokyo-Mitsubishi (Tokyo).

Libid-Libor Rates

Aug. 5

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5½ - 5⅜	3⅜ - 3⅛	1⅜ - 1⅛	6⅜ - 7	3⅜ - 3⅛	⅜ - ⅛	4⅛ - 4⅛
3-month	5⅜ - 5⅛	3⅛ - 3⅛	1⅜ - 1⅛	7⅛ - 7⅛	3⅛ - 3⅛	½ - ⅜	4⅛ - 4⅛
6-month	5⅜ - 5⅛	3⅛ - 3⅛	1⅞ - 1⅞	7⅛ - 7⅛	3⅛ - 3½	⅝ - ⅝	4⅛ - 4⅛
1-year	5⅞ - 6	3⅛ - 3⅛	1⅛ - 1⅛	7⅛ - 7½	3⅛ - 3⅛	⅝ - ¾	4⅛ - 4½

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8½	8½
Federal funds	5⅝	5⅛
90-day CDs dealers	5.61	5.59
180-day CP dealers	5.50	5.50
3 month Treasury bill	5.15	5.13
1-year Treasury bill	5.24	5.22
2-year Treasury bill	5.90	5.90
5-year Treasury note	6.12	6.11
7-year Treasury note	6.18	6.15
10-year Treasury note	6.23	6.21
30-year Treasury bond	6.49	6.48
Merrill Lynch 30-day RA	5.12	5.12
Japan		
Discount rate	0.50	0.50
Call money	0.44	0.44
1-month interbank	0.52	0.53
3-month interbank	0.59	0.59
6-month interbank	0.61	0.62
10-year Govt bond	2.36	2.37
Germany		
Lombard rate	4.50	4.50
Call money	3.12	3.12
1-month interbank	3.16	3.13
3-month interbank	3.26	3.23
6-months interbank	3.36	3.35
10-year Bund	5.99	5.87

Britain		
Bank base rate	6¼	6¼
Call money	6⅜	6⅜
1-month interbank	6⅜	6⅜
3-month interbank	7⅛	7⅛
6-month interbank	7⅛	7⅛
10-year Gilt	7.09	7.05
France		
Intervention rate	3.10	3.10
Call money	3¼	3¼
1-month interbank	3¼	3⅛
3-month interbank	3⅛	3⅛
6-month interbank	3½	3½
10-year OAT	5.75	5.75

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	323.10	320.00	—3.50
London	323.35	323.55	Unch.
New York	328.10	324.70	—3.40

U.S. dollars per ounce. London official fixings: Zurich and New York opening and closing prices: New York Comex (Dec.)
Source: Reuters.

Global Private Banking

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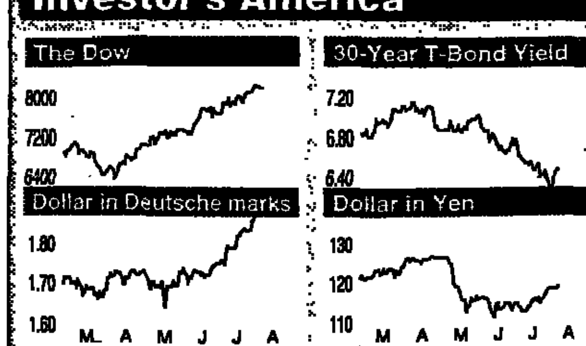
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THE AMERICAS

Investor's America



Exchange	Index	Tuesday Close	Prev. Close	% Change
NYSE	The Dow	8187.54	8198.45	-0.13
NYSE	S&P 500	952.37	950.30	+0.22
NYSE	S&P 100	929.73	928.01	+0.14
NYSE	Composite	492.96	491.93	+0.21
U.S.	Nasdaq Composite	1621.53	1605.44	+1.00
AMEX	Market Value	650.65	646.59	+0.63
Toronto	TSE Index	6996.20	6951.14	+0.66
São Paulo	Bovespa	12005.93	12054.35	-0.40
Mexico City	Bolsa	5164.79	5090.44	+1.46
Buenos Aires	Merval	838.04	832.72	+0.64
Santiago	IPSA General	5692.31	5732.75	-0.71
Caracas	Capital General	N.A.	9238.39	---

Source: Bloomberg, Reuters — International Herald Tribune

Net Vigilantes Destroy Postings

By Rajiv Chandrasekaran
Washington Post Service

WASHINGTON — A group of Internet users who are angry over the mass posting of ads on the electronic bulletin boards of the global computer network have blocked or destroyed thousands of postings made by customers of UUNet Technologies Inc.

Affecting ads and occasional noncommercial postings, the group has effectively declared war on any posting sent through the Internet service company, which it contends has failed to adequately crack down on people who post ads.

The action began over the weekend and in its first 24 hours, organizers said, blocked more than 80,000 postings by UUNet customers. About 600 of the postings were not product pitches, they said.

It was the first such action aimed at a major Internet provider, computer industry specialists said, and it prompted a sharp outcry from UUNet and some free-speech advocates. UUNet's chief executive, John Sidgmore, called the cancellations "digital terrorism."

"These people are not government agents or the police," Mr. Sidgmore said. "They have absolutely no right to cancel service on someone else's infrastructure."

Mr. Sidgmore said the company would pursue "every available legal recourse we have" *to stop the* cancellations.

"We're trying to send a message to UUNet," said Dennis McClain-Furmanski, a spokesman for the group that is trying to eliminate the postings. "They've been flatly ignoring our complaints. We don't want to punish them or cause them problems. We just want them to stop causing the Net problems."

The protest highlighted the unregulated and anarchistic nature of the Internet, where a few technically savvy people can have a big impact. Some network users called the action a "Usenet Death Penalty," referring to the section of the Internet that houses electronic bulletin boards where people can post messages for others to read.

Those bulletin boards increasingly have been filling up with junk postings that offer, among other things, pornographic pictures and get-rich-quick schemes. The postings almost always are unrelated to the subject of the board, *and the* volume of those postings has begun to cripple an increasing number of boards, experts said.

UUNet sells Internet service to other companies, which, in turn, sell the service to consumers under another brand name. UUNet has tried to go after people originating the commercial postings, Mr. Sidgmore said, but its contracts with the companies that actually sell the service to consumers prevent UUNet from ordering that specific accounts be terminated.

Other recent technology articles: http://www.iht.com/IHT/TECH/

Share-Shuffling Leads Blue-Chip Index Lower

Compiled by Our Staff From Dispatches

NEW YORK — Stocks were mixed Tuesday as investors sold their holdings in blue-chip companies that had soared in the past year and bought computer-related shares.

"Investors are pushing coins from one basket to another," said James Margard, who oversees $3.9 billion as chief of equities at Rainier Investment Management in Seattle.

The Dow Jones industrial average closed Tuesday at 8,187.54, down 10.91. Declining issues outnumbered advancers by a 10-to-9 ratio on the New York Stock Exchange. Procter & Gamble, up 64 percent the past 12 months, led the 30-stock index lower.

Broader market measures rose. The Standard & Poor's 500 Index finished at 952.37, up 2.07, and the Nasdaq Composite Index rose for a sixth day, gaining 16.08 to close at 1,621.53, an all-time high.

Intel, up 11 percent the past week, gained, and Cisco Systems rose as investors expected strong earnings from the world's largest networking company after the market closed.

No major technology companies have yet reported earnings disasters with the second-quarter earnings season drawing to a close, said John Rutledge, an analyst with Loomis, Sayles & Co.

"Most of these companies have been doing quite well," he said, "and investors are willing to pay more for them on the belief that profit growth will be more predictable in the future."

Aetna shares tumbled as much as 12 percent. Although the insurance company reported profit in line with expectations, its prognosis for future growth disappointed analysts.

British Petroleum PLC's American depositary receipts rose after Europe's second-largest oil company said it would buy back an undisclosed amount of its stock. It reported a 14 percent rise in quarterly profit, beating expectations and sending its shares higher in London trading.

BankAmerica shares fell after the company's investment rating was downgraded by Byron Wien, Morgan Stanley's investment strategist. Other banks also declined, including First Union and NationsBank.

U.S. STOCKS

Shares of Enserch and Enserch Exploration fell after Enserch Exploration, which is 83 percent-owned by Enserch, issued a lower estimate of the size of its oil and natural-gas reserves. The news came a day after the Securities and Exchange Commission approved Enserch's acquisition by Texas Utilities.

Investors displayed little reaction to two reports showing that the economy's course was steady and that inflation was not a threat.

The Conference Board's index of leading economic indicators was unchanged in June at 103.8, and the Commerce Department reported that the number of housing units on which construction was completed fell in June, making the fourth consecutive monthly decline and reaching the lowest level in almost two years.

Bonds fell after the government sold $16 billion of three-year notes at a higher yield than traders expected. The benchmark 30-year bond fell 7/32, or $2.19 per $1,000 bond, to 101 22/32. Its yield was at 6.49 percent, up from 6.48 percent Monday. *(Bloomberg, AP)*

Very briefly:

Equity Office Expands Holdings

CHICAGO (Bloomberg) — Equity Office Properties Trust said Tuesday that it agreed to buy 13 office buildings and a parking garage for a total of $284.7 million.

The company said 11 of the buildings were in the Philadelphia area and were bought for $144.7 million from Acorn Development. The other two buildings and the parking garage are in New Orleans and were bought for $140 million.

Equity Office is the largest U.S. owner of office buildings. Before this transaction, it had 90 properties and 14 parking garages.

Aon Uncovers Loss at New Unit

CHICAGO (Combined Dispatches) — Aon Corp. said Tuesday it was seeking a government investigation of Alexander & Alexander Services Inc., after discovering $27 million of previously undisclosed losses at the company, which it bought in January for $1.2 billion.

Aon, one of the world's largest insurance brokers, said the losses came from derivatives investments, including bonds linked to home mortgages called collateralized mortgage obligations.

Aon courted Alexander & Alexander for three years before the purchase. Frank Zarb, chairman of Alexander, then left to become chairman of the National Association of Securities Dealers in Washington. *(Bloomberg, AP)*

• **Oxford Health Plans Inc.** stock tumbled $3.6875, to $81.125, after its founder and chairman, Stephen Wiggins, resigned the chief executive post, overshadowing strong second-quarter profit for the operator of health-maintenance organizations. Net income climbed to $37.2 million in the quarter, from $22.5 million a year earlier.

• **Intel Corp.** said **Deutsche Telekom AG** ordered "tens of thousands" of the chipmaker's videoconferencing systems, expanding a three-year-old marketing agreement. *Bloomberg*

Blockbuster Gives Viacom a Loss

Compiled by Our Staff From Dispatches

NEW YORK — Viacom Inc. posted a second-quarter loss Tuesday as problems at its Blockbuster Entertainment Group video-store chain offset gains at its MTV Networks cable channels.

The company posted a loss of $217 million for the quarter, after a $323 million pretax charge at Blockbuster and a $65 million gain from the sale of television stations.

Excluding the extraordinary items, its loss was $14 million, reversing a profit of $26 million a year earlier. Revenue in the quarter was up 8.8 percent, to $3.03 billion.

Sumner Redstone, Viacom's chairman and chief executive, said the company had "to a large extent identified the issues" that contributed to Blockbuster's "unsatisfactory" performance.

He said a new management was "putting operational and marketing initiatives in place" to refocus the business and forecast "a period of renewed growth next year" for it. He said all of Viacom's other divisions had "turned in solid performances" in the latest quarter.

Blockbuster has been suffering from an industrywide drop of 8 percent to 9 percent in video rentals in the past year, exacerbated by a management upheaval, distribution problems and a changing marketing strategy that has left analysts questioning Blockbuster's future.

"The whole world is on a 'show-me' with Blockbuster," said Richard Read, an analyst at Arnhold & Bleichroeder.

"I don't ever see it performing well," Harold Vogel, an analyst at Cowen & Co., said.

Viacom closed at $30.50, up 31.25 cents. *(Bloomberg, Reuters)*

DOLLAR: *U.S. Currency Powers Ahead Against the Mark, Undeterred by German Rate-Rise Talk*

Continued from Page 1

several economists said they did not expect any move to raise German interest rates until at least next week, and possibly not before the next scheduled Bundesbank council meeting Aug. 21.

Although any rise in German *rates could damage the fragile eco*nomic recovery now under way in Germany and elsewhere in Europe, the Bundesbank's economist was quoted Tuesday expressing serious concern about the mark's slide against the dollar. The dollar faltered briefly after Mr. Issing was quoted as telling Boerse Online magazine that the mark's exchange rate was among the key indicators the central bank used in deciding on interest rates.

"The fact that the mark has weakened so fast and so significantly *certainly gives us something* to think about," Mr. Issing told the magazine in an interview that was conducted July 29. He also said he thought an interest-rate increase would not damage the economy despite Germany's high unemployment level and its uneven recovery.

While this was interpreted as tough talk from an influential Bundesbank official, the force of Mr. Issing's remarks was diluted *almost immediately* because he added that there was "no automatic link" between the dollar-mark rate and interest-rate decisions.

FOREIGN EXCHANGE

Analysts said, however, that the Bundesbank may decide to raise interest rates anyway, if only to signal that it remains independent in the run-up to monetary union. But they added that a small interest-rate increase might not stop the dollar.

Alison Cottrell, international economist at PaineWebber in London, said that currency traders appeared to have decided to engage in "*Bundesbank-baiting.*"

"The currency market seems to be on a roll, and it expects an interest-rate hike in Germany," Ms. Cottrell said, "so it is as though every hour it doesn't see one, it pushes the dollar up higher."

The dollar was also up against the French franc, at one point reaching its highest level since November 1989. In 4 P.M. trading in New York, the dollar was at 6.3465 francs, up from 6.2935 francs Monday.

The U.S. currency also pushed ahead against the yen, trading at *119.25 yen, up from 118.35 yen.*

The dollar also fetched 1.5350 Swiss francs, up from 1.5253 francs. The pound eased against the dollar, being quoted at $1.6245, down from $1.6317.

AMEX

Tuesday's 4 P.M. Close

The top 300 most active shares, up to the closing on Wall Street.
The Associated Press.

Stock	Sales	High	Low	Latest	Chge
AMC	143	[illegible]	[illegible]	[illegible]	[illegible]
AMC pf	116	[illegible]	[illegible]	[illegible]	[illegible]
ARC	2372	[illegible]	[illegible]	[illegible]	[illegible]
ARM Fn n	1621	[illegible]	[illegible]	[illegible]	[illegible]
AdvPhot	114	[illegible]	[illegible]	[illegible]	[illegible]
Aerosonic	213	[illegible]	[illegible]	[illegible]	[illegible]
AirWat	471	[illegible]	[illegible]	[illegible]	[illegible]
AHougen	221	[illegible]	[illegible]	[illegible]	[illegible]
Allin	127	[illegible]	[illegible]	[illegible]	[illegible]
AlldDgtl	115	[illegible]	[illegible]	[illegible]	[illegible]
AlldRsh	236	[illegible]	[illegible]	[illegible]	[illegible]
Alpnain	248	[illegible]	[illegible]	[illegible]	[illegible]
AlLivng n	2799	[illegible]	[illegible]	[illegible]	[illegible]
Amdhl	4682	[illegible]	[illegible]	[illegible]	[illegible]
Amerac s	190	[illegible]	[illegible]	[illegible]	[illegible]
AExpl	404	[illegible]	[illegible]	[illegible]	[illegible]
AScIE	111	[illegible]	[illegible]	[illegible]	[illegible]
Ampal	251	[illegible]	[illegible]	[illegible]	[illegible]
Andrea	1341	[illegible]	[illegible]	[illegible]	[illegible]
Audvox	1151	[illegible]	[illegible]	[illegible]	[illegible]
Autotote	494	[illegible]	[illegible]	[illegible]	[illegible]
BAT Ind	2097	[illegible]	[illegible]	[illegible]	[illegible]
Baker	352	[illegible]	[illegible]	[illegible]	[illegible]
BemaGold	2619	[illegible]	[illegible]	[illegible]	[illegible]
Bowne	780	[illegible]	[illegible]	[illegible]	[illegible]
Cablvsn pf	372	[illegible]	[illegible]	[illegible]	[illegible]
Calton	1017	[illegible]	[illegible]	[illegible]	[illegible]
CdnOccd g	1544	[illegible]	[illegible]	[illegible]	[illegible]
ColLb	1617	[illegible]	[illegible]	[illegible]	[illegible]
DI Ind	12808	[illegible]	[illegible]	[illegible]	[illegible]
EchoBay	6770	[illegible]	[illegible]	[illegible]	[illegible]
FlAusl	7250	[illegible]	[illegible]	[illegible]	[illegible]
FAusPr	3986	[illegible]	[illegible]	[illegible]	[illegible]
GST Tele	4458	[illegible]	[illegible]	[illegible]	[illegible]
Harken	2427	[illegible]	[illegible]	[illegible]	[illegible]
Hasbro s	10045	[illegible]	[illegible]	[illegible]	[illegible]
IMH Cml	18519	[illegible]	[illegible]	[illegible]	[illegible]
IRIS	150	[illegible]	[illegible]	[illegible]	[illegible]
IvaxDg	6946	[illegible]	[illegible]	[illegible]	[illegible]
JTS Corp	13337	[illegible]	[illegible]	[illegible]	[illegible]
Kemet s	2157	[illegible]	[illegible]	[illegible]	[illegible]
KeyEng	2359	[illegible]	[illegible]	[illegible]	[illegible]
Metromdia	2356	[illegible]	[illegible]	[illegible]	[illegible]
Nabors	4468	[illegible]	[illegible]	[illegible]	[illegible]
PLC Sys	6097	[illegible]	[illegible]	[illegible]	[illegible]
RF Pow	3389	[illegible]	[illegible]	[illegible]	[illegible]
SPDR	13885	[illegible]	[illegible]	[illegible]	[illegible]
SteHous	3139	[illegible]	[illegible]	[illegible]	[illegible]
TWA	6208	[illegible]	[illegible]	[illegible]	[illegible]
TubMex	4789	[illegible]	[illegible]	[illegible]	[illegible]
Unimar	3234	[illegible]	[illegible]	[illegible]	[illegible]
ViacB	6034	[illegible]	[illegible]	[illegible]	[illegible]
XCL Ltd	1577	[illegible]	[illegible]	[illegible]	[illegible]
Xytron	284	[illegible]	[illegible]	[illegible]	[illegible]

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	8196.83	8209.14	8162.45	8187.54	-10.91
Trans	2981.36	2997.15	2976.49	2991.44	+14.95
Util	232.13	233.54	232.46	233.21	+0.31
Comp	2528.04	2534.54	2521.71	2528.59	+2.18

Standard & Poors

	High	Low	Previous Close	Today 4 P.M.
Industrials	1123.37	1113.62	1118.81	1122.72
Transp.	690.06	682.00	687.01	685.35
Utilities	202.26	200.95	202.10	199.71
Finance	112.17	110.79	111.88	109.13
SP 500	957.73	948.89	954.29	952.54
SP 100	934.65	924.79	929.89	929.74

NYSE

	High	Low	Last	Chg.
Composite	493.44	491.15	492.96	+1.03
Industrials	625.99	622.28	625.45	+2.41
Transp.	449.06	447.19	449.06	+1.77
Utility	291.82	290.70	291.18	-0.42
Finance	458.13	455.59	456.31	-1.82

Nasdaq

	High	Low	Last	Chg.
Composite	1621.41	1609.38	1621.53	+16.08
Industrials	1276.40	1266.91	1276.39	+10.91
Banks	1725.23	1717.27	1725.23	+2.56
Insurance	1722.65	1713.93	1722.21	+6.50
Finance	2064.54	2049.77	2064.84	+11.39
Transp.	1039.39	1030.45	1033.73	-3.32

AMEX

High	Low	Last	Chg.
650.63	646.46	650.65	+4.06

Dow Jones Bond

	Previous Close	Today Noon
20 Bonds	104.13	104.33
10 Utilities	101.53	101.70
10 Industrials	106.73	106.95

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
MicmT	107291	[illegible]	[illegible]	[illegible]	[illegible]
USWM	95399	[illegible]	[illegible]	[illegible]	[illegible]
EnsExp	72217	[illegible]	[illegible]	[illegible]	[illegible]
AT&T s	65350	[illegible]	[illegible]	[illegible]	[illegible]
Seagate s	61955	[illegible]	[illegible]	[illegible]	[illegible]
WDigtl s	58439	[illegible]	[illegible]	[illegible]	[illegible]
Unisys	55162	[illegible]	[illegible]	[illegible]	[illegible]
Compaq s	53029	[illegible]	[illegible]	[illegible]	[illegible]
ColHCA s	51861	[illegible]	[illegible]	[illegible]	[illegible]
MirageRs	50012	[illegible]	[illegible]	[illegible]	[illegible]
AetnaInc	49230	106	[illegible]	[illegible]	[illegible]
PG&E Cp	44808	[illegible]	[illegible]	[illegible]	[illegible]
GenElec s	44557	[illegible]	[illegible]	[illegible]	[illegible]
LSI Log	44342	[illegible]	[illegible]	[illegible]	[illegible]
BayNtwk	43629	[illegible]	[illegible]	32	[illegible]

Nasdaq

	Vol.	High	Low	Last	Chg.
Intel s	267972	[illegible]	[illegible]	[illegible]	[illegible]
LneSSft	135235	[illegible]	17	[illegible]	[illegible]
NoiseCT	134996	[illegible]	[illegible]	[illegible]	[illegible]
Quantum s	121748	[illegible]	[illegible]	[illegible]	[illegible]
Ascend	98812	[illegible]	[illegible]	[illegible]	[illegible]
Cisco	87334	[illegible]	80	[illegible]	[illegible]
DellCpt s	74507	[illegible]	81	[illegible]	[illegible]
Microsft s	71135	[illegible]	142	[illegible]	[illegible]
HomBnk	68236	[illegible]	[illegible]	[illegible]	[illegible]
Excerbel	63664	[illegible]	[illegible]	[illegible]	[illegible]
SybTc	58414	[illegible]	[illegible]	[illegible]	[illegible]
TeleCmA	55642	18	[illegible]	[illegible]	[illegible]
MicroWre	55122	[illegible]	[illegible]	[illegible]	[illegible]
SunMic s	51877	[illegible]	[illegible]	[illegible]	[illegible]
AptdMat	51760	[illegible]	[illegible]	[illegible]	[illegible]

AMEX

	Vol.	High	Low	Last	Chg.
IMH Cml	18519	[illegible]	17	[illegible]	[illegible]
SPDR	13885	[illegible]	[illegible]	[illegible]	[illegible]
JTS Corp	13337	[illegible]	[illegible]	[illegible]	[illegible]
DI Ind	12808	[illegible]	[illegible]	[illegible]	[illegible]
Hasbro s	10045	[illegible]	[illegible]	[illegible]	[illegible]
IvaxCp	6946	10	[illegible]	[illegible]	[illegible]
EchoBay	6770	[illegible]	[illegible]	5	[illegible]
TWA	6208	[illegible]	[illegible]	[illegible]	[illegible]
PLC Sys	6097	[illegible]	[illegible]	[illegible]	[illegible]
ViacB	6034	31	[illegible]	[illegible]	[illegible]

Trading Activity

NYSE

	Close	Prev.
Advanced	1615	1496
Declined	1248	1379
Unchanged	563	540
Total issues	3426	3415
New Highs	298	215
New Lows	18	15

Nasdaq

	Noon	Prev.
Advanced	1724	2088
Declined	1546	2011
Unchanged	2154	1697
Total issues	5424	5790
New Highs	163	238
New Lows	59	63

AMEX

	Close	Prev.
Advanced	325	302
Declined	256	287
Unchanged	161	145
Total issues	742	734
New Highs	54	46
New Lows	7	5

Market Sales

	Today 4:00	Prev. cons.
NYSE	514.33	563.37
Amex	23.05	28.21
Nasdaq	655.97	593.30

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
CompTel Chile	b	.617	8-14	8-28
Wstn Deep Level	b	.645	8-8	10-6
LIQUIDATING				
Cleve Trust Rlty	_	2.10	8-12	8-19
INITIAL				
Bk Amer n	_	.305	8-20	9-12
INCREASED				
Brush Wellman	Q	.12	9-16	9-30
West Inc	Q	.15	10-22	11-5
REGULAR				
AGL Resources	Q	.27	8-15	9-1
Am Bus Pdcts	Q	.155	9-2	9-15
Arlesion Res A	Q	.23	8-12	8-20
Baldor Elect	Q	.12	9-9	9-30
Bader Intl	Q	.2825	9-10	10-1
Bull Bear Glbinco	M	.07	8-15	8-29
Coca-Cola Bottling	Q	.25	8-22	9-5
Cohen Steer Totl	M	.08	8-15	8-29
Cousins Props	Q	.31	8-15	8-26
ECI Telecom	Q	.05	8-15	8-28
Emerson Elect	Q	.27	8-15	9-10
Hershey Foods	Q	.20	8-25	9-15
Home Bancorp	Q	.05	8-29	9-18
Liberty Corp	Q	.20	9-15	10-2
MC Shipping	Q	.04	8-15	8-29
Mass Hlth & Ed	M	.062	8-15	9-2
McDermott Intl	Q	.05	9-15	10-1
Mentor Inco Fd	M	.07	8-15	8-29
NY Tx Exmpt	M	.053	8-15	9-2
Petro-Cda VVS g	Q	.08	9-3	10-1
Resour BcshrsMtg	Q	.03	8-20	9-10
Talbots Inc		.11	9-2	9-15
Union Amer Hldg	b	.0156	9-8	9-30

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99. cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

Aug. 5, 1997

Grains

CORN (CBOT) 5,000 bu minimum- cents per bushel

	High	Low	Latest	Chge	Opint
Sep 97	263¼	254	254½	-9¼	57,303
Dec 97	265	257	257¼	-7¾	154,215
Mar 98	273	265¾	265½	-7½	32,742
May 98	277¼	269½	269½	-8	7,158
Jul 98	280	272	272	-8½	11,962
Sep 98	265½	259½	259½	-3¼	1,345
Dec 98	263¾	260½	260¾	-4	6,130

Est. sales 73,000 Mon's sales 81,688
Mon's open int 270,934, up 2,093

SOYBEAN MEAL (CBOT) 100 tons- dollars per ton

	High	Low	Latest	Chge	Opint
Aug 97	261.00	257.30	258.80	-1.50	11,900
Sep 97	235.00	231.20	232.30	-1.80	20,213
Oct 97	219.00	214.10	215.50	-4.20	15,451
Dec 97	214.00	208.50	210.20	-3.10	39,899
Jan 98	211.50	206.80	208.20	-2.10	5,917
Mar 98	210.00	205.00	206.30	-2.00	8,017

Est. sales 21,000 Mon's sales 21,153
Mon's open int 107,734, off 1,529

SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb

	High	Low	Latest	Chge	Opint
Aug 97	22.02	21.63	21.68	-0.27	3,765
Sep 97	22.20	21.78	21.84	-0.28	20,733
Oct 97	22.39	21.96	22.00	-0.26	15,926
Dec 97	22.72	22.27	22.34	-0.25	42,977
Jan 98	22.89	22.49	22.49	-0.26	6,460
Mar 98	23.10	22.80	22.85	-0.17	4,716

Est. sales 19,000 Mon's sales 19,278
Mon's open int 98,018, off 616

SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel

	High	Low	Latest	Chge	Opint
Aug 97	768	755½	763	-2¼	12,270
Sep 97	678	666	668	-9½	17,179
Nov 97	647½	631	634½	-11¼	75,442
Jan 98	651	636	639¼	-11½	15,934
Mar 98	659½	644½	648½	-10½	5,108

Est. sales 45,000 Mon's sales 51,022
Mon's open int 133,564, up 938

WHEAT (CBOT) 5,000 bu minimum- cents per bushel

	High	Low	Latest	Chge	Opint
Sep 97	354	348	353¼	-1½	40,148
Dec 97	369	363	368¼	-1½	44,626
Mar 98	380	375	378½	-1¼	13,613
May 98	380½	376½	379	-2½	1,310

Est. sales 22,000 Mon's sales 25,084
Mon's open int 104,419, up 1,145

Livestock

CATTLE (CMER) 40,000 lbs.- cents per lb

	High	Low	Latest	Chge	Opint
Aug 97	67.20	66.35	66.42	-0.87	17,691
Oct 97	70.22	69.45	69.50	-0.80	51,940
Dec 97	72.07	71.55	71.57	-0.55	20,887
Feb 98	73.40	72.90	72.95	-0.42	9,830
Apr 98	75.00	74.57	74.60	-0.42	3,774
Jun 98	71.75	71.42	71.42	-0.32	2,821

Est. sales 16,391 Mon's sales 14,724
Mon's open int 107,292, off 950

FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb

	High	Low	Latest	Chge	Opint
Aug 97	81.30	80.30	80.32	-0.57	8,023
Sep 97	81.05	80.20	80.25	-0.65	3,654
Oct 97	81.30	80.50	80.65	-0.40	6,065
Nov 97	82.40	81.65	81.67	-0.50	3,583
Jan 98	82.60	81.90	81.97	-0.40	1,845
Mar 98	82.15	81.50	81.65	-0.40	865

Est. sales 2,799 Mon's sales 3,980
Mon's open int 24,461, up 18

HOGS-Lean (CMER) 40,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Aug 97	82.30	80.85	80.85	-2.00	7,917
Oct 97	75.45	73.92	73.92	-2.00	18,862
Dec 97	71.32	69.67	69.67	-2.00	6,253
Feb 98	69.60	67.92	67.92	-2.00	2,347
Apr 98	64.70	63.30	64.17	-0.80	1,460

Est. sales 10,443 Mon's sales 7,519
Mon's open int 38,439, up 726

PORK BELLIES (CMER) 40,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Aug 97	88.80	86.27	86.52	-2.62	2,370
Feb 98	78.35	75.55	75.55	-3.00	3,539
Mar 98	77.30	75.90	75.90	-3.00	93

Est. sales 1,949 Mon's sales 2,787
Mon's open int 6,040, up 59

Food

COCOA (NCSE) 10 metric tons- $ per ton

	High	Low	Latest	Chge	Opint
Sep 97	1504	1481	1483	-17	22,002
Dec 97	1549	1528	1529	-17	26,181
Mar 98	1580	1563	1563	-17	24,883
May 98	1590	1583	1583	-16	11,003
Jul 98	1609	1603	1603	-16	1,530
Sep 98	1623	1620	1623	-16	3,743

Est. sales 7,817 Mon's sales 5,954
Mon's open int 100,999, up 693

COFFEE C (NCSE) 37,500 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Sep 97	204.50	192.00	203.10	+9.35	9,328
Dec 97	175.50	168.00	174.70	+6.00	6,534
Mar 98	156.00	150.50	155.25	-1.70	3,336
May 98	148.50	146.50	148.50	-3.50	970
Jul 98	145.50	140.50	144.00	-3.50	633

Est. sales 8,146 Mon's sales 6,747
Mon's open int 21,195, up 558

SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb

	High	Low	Latest	Chge	Opint
Oct 97	11.64	11.50	11.61	+0.03	111,368
Mar 98	11.80	11.71	11.77	unch	58,347
May 98	11.73	11.66	11.72	unch.	12,619
Jul 98	11.64	11.57	11.64	unch.	7,317

Est. sales 13,580 Mon's sales 12,368
Mon's open int 193,743, off 170

ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Sep 97	75.65	74.80	75.15	unch.	16,427
Nov 97	77.70	76.90	77.10	-0.10	8,416
Jan 98	80.70	80.00	80.10	-0.10	3,940
Mar 98	83.75	82.90	83.10	-0.15	2,597

Est. sales N.A. Mon's sales 1,561
Mon's open int 32,412, off 73

Metals

GOLD (NCMX) 100 troy oz.- dollars per troy oz.

	High	Low	Latest	Chge	Opint
Aug 97	324.30	317.00	320.40	-3.50	1,321
Sep 97			321.20	-3.50	2
Oct 97	325.70	319.00	322.50	-3.50	15,052
Dec 97	328.20	321.00	324.60	-3.50	105,774
Feb 98	329.50	324.00	326.80	-3.60	12,318
Apr 98	328.80	328.60	328.80	-3.60	5,355
Jun 98			331.10	-3.60	7,620
Aug 98			333.40	-3.60	3,111
Oct 98	335.70	335.00	335.70	-3.60	106

Est. sales 42,000 Mon's sales 16,156
Mon's open int 188,024, up 1,435

HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Aug 97	107.50	96.65	107.50	+1.10	2,973
Sep 97	107.30	104.60	107.20	+1.00	21,055
Oct 97	106.10	0.05	106.05	+0.95	1,692
Nov 97	105.40	103.50	105.40	+0.90	1,370
Dec 97	104.75	102.75	104.75	+0.85	7,717
Jan 98	104.40	102.90	104.40	+0.90	646
Feb 98			103.30	+0.90	615
Mar 98	102.55	101.10	102.55	+0.85	2,396
Apr 98			101.70	+0.85	398

Est. sales 9,000 Mon's sales 4,068
Mon's open int 43,096, up 474

SILVER (NCMX) 5,000 troy oz.- cents per troy oz.

	High	Low	Latest	Chge	Opint
Aug 97			429.70	-18.90	
Sep 97	450.00	429.00	431.50	-19.20	53,387
Oct 97			435.10	-19.30	78
Dec 97	456.50	436.00	437.80	-19.40	18,105
Jan 98			439.40	-19.50	20
Mar 98	464.00	444.00	444.00	-19.60	10,314
May 98	467.50	447.50	448.00	-19.60	2,968
Jul 98			452.00	-19.60	2,093

Est. sales 30,000 Mon's sales 8,468
Mon's open int 91,808, off 1,703

PLATINUM (NMER) 50 troy oz.- dollars per troy oz.

	High	Low	Latest	Chge	Opint
Oct 97	466.00	439.50	449.60	-5.60	11,845
Jan 98	454.00	433.00	439.60	-5.60	2,480
Apr 98	432.60	425.00	432.60	-5.60	405

Est. sales N.A. Mon's sales 3,679
Mon's open int 14,730, off 927

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1725½	1726½	1741.00	1742.00
Forward	1722.00	1723.00	1734.00	1735.00
Copper Cathodes (High Grade)				
Spot	2308.00	2311.00	2319.00	2322.00
Forward	2282.00	2284.00	2290.00	2291.00
Lead				
Spot	592.00	593.00	622½	623½
Forward	608.00	609.00	636.00	637.00
Nickel				
Spot	7115.00	7125.00	7205.00	7215.00
Forward	7220.00	7230.00	7300.00	7310.00
Tin				
Spot	5520.00	5530.00	5545.00	5555.00
Forward	5570.00	5580.00	5590.00	5600.00
Zinc (Special High Grade)				
Spot	1583.00	1588.00	1584.00	1587.00
Forward	1496.00	1497.00	1488.00	1489.00

Financial

US T BILLS (CMER) $1 million- pts of 100 pct.

	High	Low	Close	Chge	Opint
Sep 97	94.88	94.87	94.87	unch.	4,935
Dec 97	94.77	94.75	94.75	-0.02	823
Mar 98			94.65	-0.01	76

Est. sales 432 Mon's sales 753
Mon's open int 7,834, off 12

5 YR TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct

	High	Low	Close	Chge	Opint
Sep 97	107-09	106-62	107-04	-04	220,739
Dec 97	106-56	106-49	106-53	-04	9,981

Est. sales 36,100 Mon's sales 33,973
Mon's open int 230,720, off 54

10 YR TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct

	High	Low	Close	Chge	Opint
Sep 97	109-26	109-17	109-22	-02	371,452
Dec 97	109-15	109-08	109-13	-01	33,189
Mar 98	109-03	109-02	109-03	-02	771

Est. sales 70,001 Mon's sales 93,051
Mon's open int 405,412, up 3,626

US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)

	High	Low	Close	Chge	Opint
Sep 97	114-24	114-10	114-19	-02	522,189
Dec 97	114-12	113-31	114-08	-01	48,428
Mar 98	113-30	113-27	113-30	-02	31,467
Jun 98			113-18	-02	2,132

Est. sales 350,000 Mon's sales 315,398
Mon's open int 604,290, off 966

LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct

	High	Low	Close	Chge	Opint
Sep 97	114-27	114-05	114-09	-0-12	176,276
Dec 97	114-12	114-00	113-29	-0-12	9,260

Est. sales: 69,498. Prev sales: 51,328
Prev. open int.: 185,536 off 7,893

GERMAN GOV. BUND (LIFFE) DM250,000 - pts of 100 pct

	High	Low	Close	Chge	Opint
Sep 97	102.37	101.58	101.71	-0.44	264,967
Dec 97	101.45	100.80	100.87	-0.46	13,191

Est. sales: 232,736. Prev sales: 176,337
Prev. open int.: 278,158 off 1,451

10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct

	High	Low	Close	Chge	Opint
Sep 97	129.92	129.14	129.20	-0.56	184,955
Dec 97	98.84	98.20	98.18	-0.52	10,922

Est. sales: 188,928.
Open int.: 195,877 off 2,879.

ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct

	High	Low	Close	Chge	Opint
Sep 97	136.27	134.95	135.15	-0.75	102,443
Dec 97	107.40	107.32	107.44	-0.62	3,380

Est. sales: 77,125. Prev. sales: 65,526
Prev. open int.: 105,823 off 2,760

LIBOR 1-MONTH (CMER) $3 million- pts of 100 pct.

	High	Low	Close	Chge	Opint
Aug 97	94.36	94.35	94.35	unch.	20,768
Sep 97	94.34	94.33	94.34	unch.	10,339
Oct 97	94.32	94.31	94.32	unch.	5,078

Est. sales 3,741 Mon's sales 5,442
Mon's open int 43,226, up 697

EURODOLLARS (CMER) $1 million-pts of 100 pct.

	High	Low	Close	Chge	Opint
Aug 97	94.28	94.27	94.27	unch.	22,113
Sep 97	94.26	94.25	94.25	unch.	527,224
Oct 97	94.17	94.16	94.17	unch.	2,745
Dec 97	94.09	94.06	94.07	-0.02	469,400
Mar 98	94.01	93.96	93.98	-0.02	341,833
Jun 98	93.90	93.84	93.87	-0.01	269,436
Sep 98	93.81	93.76	93.79	-0.01	210,141
Dec 98	93.69	93.66	93.68	-0.02	163,279
Mar 99	93.68	93.65	93.67	-0.02	126,528
Jun 99	93.64	93.61	93.63	-0.02	96,832
Sep 99	93.61	93.59	93.60	-0.02	84,529
Dec 99	93.54	93.52	93.53	-0.02	73,126

Est. sales 372,821 Mon's sales 409,997
Mon's open int 2,761,515, off 4,254

BRITISH POUND (CMER) 62,500 pounds, $ per pound

	High	Low	Close	Chge	Opint
Sep 97	1.6324	1.6190	1.6208	-0.0054	48,224
Dec 97	1.6218	1.6148	1.6148	-0.0054	864
Mar 98			1.6090	-0.0054	209

Est. sales 7,047 Mon's sales 5,387
Mon's open int 49,297, up 140

CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr

	High	Low	Close	Chge	Opint
Sep 97	.7272	.7254	.7261	-0.0010	41,803
Dec 97	.7300	.7285	.7295	-0.0010	2,084
Mar 98	.7325	.7323	.7323	-0.0010	618

Est. sales 3,152 Mon's sales 2,825
Mon's open int 45,724, up 183

GERMAN MARK (CMER) 125,000 marks, $ per mark

	High	Low	Close	Chge	Opint
Sep 97	.5395	.5324	.5336	-0.0035	130,503
Dec 97	.5381	.5353	.5367	-0.0036	3,253
Mar 98	.5398	.5383	.5398	-0.0036	545

Est. sales 21,054 Mon's sales 20,303
Mon's open int 134,408, up 513

JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen

	High	Low	Close	Chge	Opint
Sep 97	.8525	.8420	.8430	-0.0072	76,474
Dec 97	.8592	.8533	.8540	-0.0072	1,948
Mar 98			.8654	-0.0072	413

Est. sales 16,064 Mon's sales 14,725
Mon's open int 78,835, off 2,512

SWISS FRANC (CMER) 125,000 francs, $ per franc

	High	Low	Close	Chge	Opint
Sep 97	.6607	.6533	.6552	-0.0032	61,434
Dec 97	.6628	.6604	.6619	-0.0033	2,222
Mar 98	.6686	.6675	.6686	-0.0034	967

Est. sales 11,337 Mon's sales 9,766
Mon's open int 64,733, up 552

MEXICAN PESO (CMER) 500,000 pesos, $ per peso

	High	Low	Close	Chge	Opint
Sep 97	.12630	.12585	.12625	+.00262	20,433
Dec 97	.12190	.12155	.12190	+.00262	13,835
Mar 98	.11782	.11770	.11782	+.00156	5,765

Est. sales 4,380 Mon's sales 5,070
Mon's open int 41,599, up 41,598

3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct

	High	Low	Close	Chge	Opint
Sep 97	92.70	92.68	92.69	+0.02	130,466
Dec 97	92.53	92.49	92.50	+0.02	136,992
Mar 98	92.52	92.48	92.49	+0.02	102,183
Jun 98	92.56	92.51	92.52	+0.01	69,006
Sep 98	92.60	92.57	92.57	Unch.	54,315
Dec 98	92.66	92.61	92.62	Unch.	46,561
Mar 99	92.70	92.66	92.67	+0.01	41,120

Est. sales: 74,751. Prev. sales: 70,006
Prev. open int.: 657,337 up 1,753

3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct

	High	Low	Close	Chge	Opint
Aug 97	96.70	96.70	96.70	-0.02	1,041
Sep 97	96.65	96.58	96.60	-0.03	267,076
Oct 97	N.T.	N.T.	96.53	-0.02	1,628
Dec 97	96.46	96.37	96.40	-0.03	310,731
Mar 98	96.34	96.22	96.25	-0.05	261,374
Jun 98	96.14	96.00	96.04	-0.07	201,121
Sep 98	95.93	95.80	95.83	-0.07	140,628
Dec 98	95.69	95.55	95.58	-0.07	140,595
Mar 99	95.49	95.35	95.39	-0.06	106,716
Jun 99	95.29	95.16	95.19	-0.06	68,931

Est. sales: 295,413 Prev. sales: 239,052
Prev. open int.: 1,633,376 up 5,513

3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct

	High	Low	Close	Chge	Opint
Sep 97	96.46	96.36	96.39	-0.04	79,109
Dec 97	96.32	96.15	96.21	-0.06	34,569
Mar 98	96.22	96.06	96.09	-0.08	28,920
Jun 98	96.11	95.96	95.98	-0.08	26,390
Sep 98	95.97	95.83	95.85	-0.09	35,028

Est. sales: 98,553.
Open int.: 274,760 up 2,038.

3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct

	High	Low	Close	Chge	Opint
Sep 97	93.26	93.18	93.20	-0.04	110,611
Dec 97	93.59	93.48	93.52	-0.04	91,137
Mar 98	93.88	93.78	93.78	-0.07	52,147
Jun 98	94.13	94.00	94.00	-0.08	40,322
Sep 98	94.28	94.14	94.14	-0.10	35,050
Dec 98	94.39	94.25	94.25	-0.10	25,492

Est. sales: 65,989. Prev. sales: 62,332
Prev. open int.: 373,461 up 445

Industrials

COTTON 2 (NCTN) 50,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Oct 97	75.06	74.55	74.83	-0.23	11,310
Dec 97	74.90	74.40	74.70	-0.14	42,955
Mar 98	76.10	75.75	75.93	-0.20	10,801
May 98	76.70	76.60	76.60	-0.18	2,771
Jul 98	77.05	76.98	76.98	-0.17	1,538

Est. sales N.A. Mon's sales 4,258
Mon's open int 75,558, off 345

HEATING OIL (NMER) 42,000 gal, cents per gal

	High	Low	Latest	Chge	Opint
Sep 97	58.60	57.70	58.32	-0.12	44,450
Oct 97	59.05	58.35	58.82	-0.14	26,186
Nov 97	59.50	58.85	59.32	-0.19	17,900
Dec 97	60.10	58.32	59.87	-0.19	19,848
Jan 98	60.30	59.70	60.12	-0.19	15,060
Feb 98	59.90	59.50	59.82	-0.19	8,099
Mar 98	58.75	57.80	58.62	-0.24	7,243

Est. sales 28,093 Mon's sales 41,846
Mon's open int 149,358, up 2,453

LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.

	High	Low	Latest	Chge	Opint
Sep 97	20.94	20.55	20.80	+0.05	99,414
Oct 97	21.02	20.68	20.91	+0.05	57,712
Nov 97	21.00	20.70	20.90	+0.07	35,886
Dec 97	20.94	19.83	20.90	+0.09	51,209
Jan 98	20.86	20.65	20.79	+0.02	26,491
Feb 98	20.80	20.63	20.75	+0.02	12,820

Est. sales 124,135 Mon's sales 122,333
Mon's open int 432,580, up 12,554

NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu

	High	Low	Latest	Chge	Opint
Sep 97	2.430	2.300	2.374	unch.	42,246
Oct 97	2.440	2.329	2.381	+0.013	25,587
Nov 97	2.530	2.440	2.476	+0.013	13,670
Dec 97	2.620	2.550	2.576	+0.011	16,492
Jan 98	2.630	2.565	2.600	+0.015	17,407
Feb 98	2.530	2.470	2.500	+0.015	11,509

Est. sales 71,872 Mon's sales 76,248
Mon's open int 192,189, up 9,035

UNLEADED GASOLINE (NMER) 42,000 gal, cents per gal

	High	Low	Latest	Chge	Opint
Sep 97	67.20	66.10	67.10	+0.36	45,478
Oct 97	61.70	60.90	61.57	+0.37	16,148
Nov 97	59.60	58.75	59.57	+0.47	8,924
Dec 97	58.95	57.85	58.87	+0.52	8,880
Jan 98	58.82	57.75	58.82	+0.52	7,765
Feb 98			59.09	+0.52	1,952
Mar 98	59.54	59.15	59.54	+0.47	4,007
Apr 98			61.94	+0.52	1,260

Est. sales 26,085 Mon's sales 35,233
Mon's open int 95,911, up 3,469

BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels

	High	Low	Latest	Chge	Opint
Sep 97	19.58	19.30	19.52	+0.06	60,474
Oct 97	19.61	19.30	19.54	+0.11	51,326
Nov 97	19.66	19.35	19.60	-0.14	13,275
Dec 97	19.68	19.39	19.65	+0.17	18,521
Jan 98	19.65	19.39	19.63	+0.17	14,302
Feb 98	19.56	19.36	19.56	+0.16	6,251
Mar 98	19.49	19.32	19.49	+0.15	2,614

Est. sales: 51,000. Prev. sales: 45,318
Prev open int.: 175,793 up 2,462

GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons

	High	Low	Latest	Chge	Opint
Aug 97	176.75	175.00	176.25	+5.50	18,738
Sep 97	178.25	176.50	177.75	+5.75	17,436
Oct 97	179.25	177.75	179.25	+4.25	10,282
Nov 97	181.00	179.25	181.00	+4.50	5,800
Dec 97	181.00	179.50	181.00	+3.50	12,526
Jan 98	180.50	179.50	181.00	+3.25	7,773
Feb 98	179.50	179.25	179.75	+3.00	5,101
Mar 98	179.50	179.25	179.75	+2.75	2,506

Est. sales: 15,000. Prev sales: 11,614
Prev. open int: 84,785 up 2,214

Stock Indexes

SP COMP INDEX (CMER) 500 x index

	High	Low	Latest	Chge	Opint
Sep 97	959.70	952.00	957.80	+2.40	177,433
Dec 97	969.00	963.50	969.00	+3.40	6,058
Mar 98			976.05	unch	2,052

Est. sales N.A. Mon's sales 51,811
Mon's open int 186,292, off 801

FTSE 100 (LIFFE) £25 per index point

	High	Low	Latest	Chge	Opint
Sep 97	4976.0	4923.0	4949.0	-49.0	72,985
Dec 97	5024.0	5000.0	5013.0	-50.0	5,127
Mar 98	N.T.	N.T.	5057.0	-49.0	91

Est. sales: 8,741. Prev. sales: 6,944
Prev. open int: 78,203 off 385

CAC 40 (MATIF) FF200 per index point

	High	Low	Latest	Chge	Opint
Aug 97	3035.00	2965.0	2989.0	-8.00	28,887
Sep 97	3044.00	2980.0	2997.5	-7.50	23,245
Dec 97	3063.00	3063.00	3022.50	-7.50	970

Est. sales: 13,622.
Open int.: 71,048 off 641.

Commodity Indexes

	Close	Previous
Moody's	1,558.70	1,561.50
Reuters	1,918.60	1,926.50
D.J. Futures	151.96	152.02
CRB	243.58	245.26

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

Europeans Seek Westinghouse Energy Unit

Compiled by Our Staff From Dispatches

PARIS — GEC Alsthom and Framatome Connectors France SA, a state-controlled nuclear-energy company, said Tuesday that they were interested in buying the energy operations of Westinghouse Electric Corp.

The companies declared their interest after the French newspaper Liberation reported that Framatome and GEC Alsthom, a joint venture of Alcatel Alsthom of France and General Electric Co. of Britain, planned to bid up to $300 million for Westinghouse's power-generation activities and to assume nuclear-related legal liabilities and $500 million in debt.

Westinghouse is planning to spin off most of its industrial units this year to focus on broadcasting.

"It's a highly logical expansion for GEC Alsthom and a logical disinvestment for Westinghouse," said Neil Barton, an analyst at Merrill Lynch & Co.

Liberation said Pierre Bilger, GEC Alsthom's chief executive, and a dozen executives met with Westinghouse officials in the United States on July 7. It printed photographs of what it said were GEC Alsthom documents relating to the bid.

GEC Alsthom stressed the documents obtained by Liberation were only working papers after one meeting with Westinghouse. It said it had no mandate from Framatome to negotiate on its behalf.

Alcatel Alsthom owns 44 percent of Framatome, with 51 percent controlled by French state-owned companies and 5 percent owned by employees.

Framatome said it was interested in Westinghouse's nuclear-power businesses and agreed that bidding with GEC Alsthom would "reinforce a French position in any eventual evolution in this sector."

It pointed out that Westinghouse had not yet said it wanted to sell those activities.

Acquiring Westinghouse's power businesses would bolster GEC Alsthom's activities at a time when GEC is looking to get out of the joint venture.

Linking with Framatome to bid for the nuclear businesses could also rekindle plans for a closer alliance between the two companies, analysts said.

A plan to merge GEC Alsthom and Framatome failed earlier this year after GEC refused to accept a French government condition that the British company hold less than 50 percent in the new company.

While GEC-Alsthom does very little direct business in nuclear energy, a spokesman, Jean-Georges Micol, said it had worked closely with Framatome in France and China on nuclear plants.

Its main activities include energy production, transport and distribution of energy and rail transport. The company is a member of a group developing a high-speed rail system in Florida.

The issue of which company would take on the risks involved with nuclear reactor construction and operation made some analysts cautious of the companies' plans.

"A nuclear disaster could surpass anything imaginable and it seems that only a state would be capable of taking on such a risk," said Denis Branche, an analyst at Credit Lyonnais Securities/Cholet-Dupont.

Alcatel Alsthom shares closed Tuesday in Paris at 845 French francs ($134), unchanged from Monday. GEC shares closed in London at 361 pence ($5.89), up 18 pence. *(Bloomberg, Reuters)*

Saudis Aim For Savings In Sale of State Firms

Reuters

DUBAI, United Arab Emirates — Saudi Arabia has spelled out its privatization plans, saying it aims to increase the competitiveness of its industry, attract foreign capital and cut state spending while providing more jobs for its 12 million citizens.

In its weekly meeting late Monday, the cabinet said the kingdom was committed to giving the private sector a bigger role in the world's largest oil producer and exporter, the official Saudi Press Agency reported. But it gave no details on which state enterprises or functions it might privatize, nor did it indicate when the process might be started.

The cabinet plan said Saudi Arabia should "gradually select" companies or functions to be privatized.

Some analysts said the most likely candidate was the 70-percent state-owned Saudi Basic Industries Corp.

Key goals include attracting capital, increasing job opportunities, raising per-capita income and increasing the ability of the Saudi economy to face world competition, "especially in light of joining the World Trade Organization," it said. Saudi Arabia hopes to join the world trade body by 2002.

Many services, including water, electricity and air travel, are heavily subsidized in Saudi Arabia, contributing to its high government budget deficits since the early 1980s.

The cabinet's plan calls for reducing state spending and "alleviating the government's budget burden by allowing the private sector to finance, operate and maintain some services it can carry out."

The kingdom has said it plans to sell off Saudi Arabian Airlines, but economists said that would be difficult as long as the airline remained unprofitable.

EU Asks U.S. to Alter Telecom Rules

Reuters

BRUSSELS — The European Commission asked the United States on Tuesday to reconsider proposed rules concerning a global agreement on telecommunications trade, saying its current proposals discriminated against non-U.S. operators.

Saying the United States risked "violating its world trading obligations," the executive body of the European Union said it reserved the right to appeal the matter to the World Trade Organization.

The dispute centers on Washington's interpretation of its obligations under the agreement reached through the WTO in February.

The multinational accord establishes guidelines for a so-called General Agreement on Trade in Services.

The commission said it was particularly concerned that the U.S. Federal Communications Commission's draft text on non-U.S. companies' participation in U.S. telecommunications operations continued to rely in part on "broad and unclear public-service factors" in deciding on license applications.

The U.S. agency's proposals, the EU body said, allow such factors as law-enforcement, foreign-policy or trade concerns to be considered in reviewing applications, and they allow the refusal of a license on the grounds that it would pose a "very high risk to competition."

The U.S. proposals, published June 4, also dismantle a competition test for access to international services, a move the EU has welcomed. But Washington must make changes to the rest of the draft rules, the commission said, or the EU will reserve the right to "challenge those rules under the WTO."

KLM's Profit Slips but Beats Expectations

Compiled by Our Staff From Dispatches

AMSTELVEEN, Netherlands — KLM Royal Dutch Airlines NV reported a higher-than-expected second-quarter profit Tuesday, and the airline's reorganization took hold when Leo van Wijk took over from Pieter Bouw, who announced his resignation as chairman in May.

Net income for the quarter was 190 million guilders ($90.4 million), compared with forecasts averaging 123 million guilders, as burgeoning traffic revenue outstripped cost increases. The figure was down from last year's first-quarter net of 271 million guilders, which was lifted by a one-time gain from a revaluation of its preference shares in Northwest Airlines of the United States.

The flag carrier last week decided to sell its 19 percent stake in Northwest, paving the way to expand its alliances to include other airlines in hopes of raising its European market share.

The company's shares slipped in Amsterdam trading, closing at 76 guilders, down 0.40. *(Reuters, Bloomberg)*

Results Pummel NatWest's Stock

Reuters

LONDON — Shares in National Westminster Bank PLC fell sharply Tuesday after the banking company reported a slump in investment-banking profit and disappointed some in the market by ruling out major acquisitions or a merger.

The bank said profit from continuing operations in the first half was £775 million ($1.26 billion), or £5 million more than it forecast in June.

The increase came despite a loss of £77 million from a mispricing of options contracts at the company's investment-banking arm, NatWest Markets.

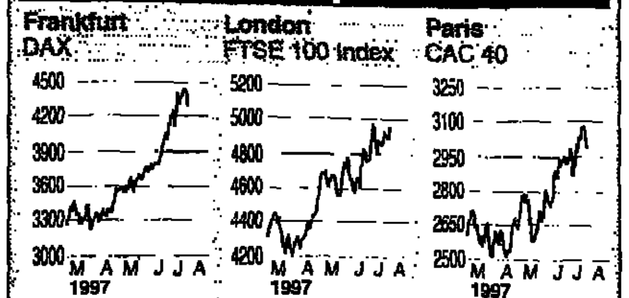
The discovery of that loss prompted the departure in June of Martin Owen, NatWest Markets' chief executive, and six other managers. NatWest Markets' profit slid to £58 million from £219 million in the first half of last year.

The company also raised its interim dividend by 10.4 percent, to 10.6 pence a share.

Lord Alexander, chairman of NatWest, also said the bank did not need a partner. News reports have speculated that talks with Abbey National PLC and Prudential Corp. on a possible merger had broken down partly because of disagreement over which executives would run the business. NatWest's chief executive, Derek Wanless, added that NatWest Markets was not for sale.

NatWest shares declined after the results, dropping 35 pence to close at 835 pence.

Investor's Europe



Exchange	Index	Tuesday Close	Prev. Close	% Change
Amsterdam	AEX	979.59	979.35	+0.02
Brussels	BEL-20	2,455.72	2,470.34	-0.59
Frankfurt	DAX	4,302.68	4,296.94	+0.13
Copenhagen	Stock Market	636.99	641.52	-0.71
Helsinki	HEX General	3,604.70	3,632.86	-0.78
Oslo	OBX	708.32	709.00	+1.19
London	FTSE 100	4,957.78	4,895.70	+1.27
Madrid	Stock Exchange	580.11	586.34	-1.06
Milan	MIBTEL	14324	14438	-0.79
Paris	CAC 40	2,984.10	2,992.41	-0.28
Stockholm	SX 16	3,530.83	3,506.94	+0.68
Vienna	ATX	1,436.48	1,452.11	-1.08
Zurich	SPI	3,681.31	3,685.87	-0.12

Source: Telekurs — International Herald Tribune

Very briefly:

- **Stora Kopparbergs Bergslags AB**, a Swedish forestry company, said second-quarter net profit rose 70 percent, to 439 million kronor ($54.3 million), or 1.35 kronor a share, from 258 million kronor, or 0.80 kronor a share, a year earlier.
- **Saab Automobile AB**, owned by the Swedish investment concern **Investor AB** and the U.S. automaker **General Motors Corp.**, posted a first-half pretax loss of 600 million kronor, widened from 428 million kronor a year earlier. Sales rose to 10.98 billion kronor from 10.13 billion kronor.
- **PepsiCo Inc.** unveiled a plan to drop its Swedish drinks partner **Spendrups** and link up with its Norwegian-Swedish rival, **Pripps Ringnes.**
- **Union Bank of Switzerland** posted a 67 percent increase in first-half profit, to 1.86 billion Swiss francs ($1.19 billion), from 1.11 billion francs a year earlier.
- **Italy's** industry minister, Pierluigi Bersani, confirmed speculation that **AT&T Corp., IFIL SpA, Compagnia di San Paolo** and **Mannesmann AG** were interested in becoming core shareholders in **Telecom Italia SpA** when the company was privatized.
- **Willis Corroon Group PLC**, a British insurance broker, blamed intense competition and the strength of the pound for a fall in first-half profit. Pretax profit slipped to £60.2 million pounds ($98.1 million) from £68.2 million a year earlier.
- **British Petroleum PLC** earned £738 million in the second quarter, compared with £587 million a year earlier, an 8.7 percent rise. Revenue rose to £10.80 billion in the quarter from £10.34 billion a year earlier.
- **Smiths Industries PLC** agreed to buy **Graseby PLC** for £136 million to expand its range of medical products. The final offer valued Graseby shares at 211 pence each, 41 percent higher than Monday's closing price of 149.5 pence.

AFX, Reuters, AP, Bloomberg

The Trib Index

Prices as of 3:00 P.M. New York time

Jan. 1, 1992 = 100	Level	Change	% change	year to date % change
World Index	177.66	-0.25	-0.14	-13.12
Regional Indexes				
Asia/Pacific	128.16	-1.04	-0.80	-3.83
Europe	185.48	-0.10	-0.05	-15.06
N. America	213.03	-0.27	-0.13	-31.57
S. America	172.10	+0.78	+0.46	-50.40
Industrial Indexes				
Capital goods	231.11	+0.79	+0.34	+35.22
Consumer goods	195.97	-0.84	-0.43	+21.40
Energy	200.48	+1.08	+0.54	+17.43
Finance	131.81	-0.75	-0.57	+13.18
Miscellaneous	189.64	-0.52	-0.27	+17.22
Raw Materials	192.33	+0.56	+0.29	+9.66
Service	167.68	-1.00	-0.59	+22.11
Utilities	166.09	+0.51	+0.31	+15.77

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg News

WORLD STOCK MARKETS

Tuesday, Aug. 5
Prices in local currencies.
Telekurs

Amsterdam
AEX index: 979.59 Previous: 979.35

	High	Low	Close	Prev.
ABN-AMRO	47.70	46.20	47.20	47.50
Aegon	154.90	152.20	152.80	153.20
Ahold	60.10	59.30	59.90	59.20
Akzo Nobel	342	335.30	338.70	341.50
Baan Co.	144.50	139.50	142.50	139.20
Bols Wess cva	42.60	41.60	42.10	42.70
CSM cva	111.40	105.40	111	105.50
Dordtsche Pet	120	117.30	119	117
DSM	219	211.10	212.80	218
Elsevier	37.10	36.60	36.60	36.80
Fortis Amev	92	89	89.20	91.20
Getronics	71.80	68.50	69.30	71.50
G-Broc cva	68	63.80	64.90	78.80
Hagemeyer	111	106.70	109.10	110
Heineken	325.90	320.50	325.50	321
Hoogovens cva	139.80	133	136	138.50
Hunt Douglas	95.30	91.50	92.90	94
ING Group	99.50	97.10	97.50	98.70
KLM	79	74.80	76	76.40
KNP BT	46.90	45.60	46.40	46.40
KPN	82	80.90	82	81.90
Nedlloyd Gp	70.30	67.50	67.60	70
Nutricia	358.20	353	356.50	355.50
Oce Grinten	262	258.80	260.50	258.70
Philips Elec	168.90	165.40	167	165.20
Polygram	119.70	117	119	118
Randstad Hdg	95.50	92	95.40	94.20
Robeco	208.50	208	208	207
Rodamco	64.90	63.30	64.80	64.90
Rolinco	210.80	210	210.40	210.70
Rorento	119.20	118.80	119	118.50
Royal Dutch	119.50	117.20	118.90	116
Unilever cva	479	474.10	476.80	470.90
Vendex Intl	112.20	109.50	111	111.80
VNU	49.10	47.90	48	48.80
Wolters Kl cva	290	276.10	278	283

Bangkok
SET index: 648.47 Previous: 663.82

	High	Low	Close	Prev.
Adv Info Svc	252	216	226	236
Bangkok Bk F	252	242	248	252
Krung Thai Bk	35	31.50	32	34.50
PTT Explor	412	396	404	414
Siam Cement F	632	604	632	628
Siam Com Bk F	142	126	139	136
Telecomasia	47.25	42.75	45.75	44.75
Thai Airways	53.50	47.75	49.50	52
Thai Farm Bk F	162	150	156	162
Utd Comm	139	132	134	136

Bombay
Sensex 30 index: 4548.02 Previous: 4465.37

	High	Low	Close	Prev.
Bajaj Auto	935	915	934.75	927
Hindust Lever	1555	1495	1537.25	1515.50
Hindust Petm	516	492	515.50	494.75
Ind Dev Bk	104	102.25	103	104
ITC	586	548	585	546.75
Mahanagar Tel	300	291	298.75	292.25
Reliance Ind	372.50	365	374	364.25
State Bk India	338.50	330.75	338.25	328.75
Steel Authority	26.75	25.50	25.75	26
Tata Eng Loco	401	396	399.50	396

Brussels
BEL-20 index: 2455.72 Previous: 2470.34

	High	Low	Close	Prev.
Almanij	17000	16500	17000	17050
Barco Ind	7760	7460	7550	7600
BBL	9300	9070	9120	9070
CBR	3315	3210	3260	3300
Colruyt	18150	17625	17825	17500
Delhaize Lion	1910	1855	1890	1900
Electrabel	7750	7670	7680	7740
Electrafina	3750	3665	3690	3730
Fortis AG	7890	7680	7700	7800
Gevaert	3490	3425	3425	3420
GBL	6030	5950	5970	5990
Gen Banque	14450	14200	14225	14425
Kredietbank	15825	15250	15275	15500
Petrofina	15100	14400	14525	15025
Powerfin	4950	4900	4940	4925
Royale Belge	10750	10400	10550	10725
Soc Gen Belg	3525	3480	3480	3510
Solvay	22725	21600	21975	22500
Tractebel	14500	14325	14850	14850
UCB	126000	125500	127700	125000

Copenhagen
Stock index: 636.99 Previous: 641.52

	High	Low	Close	Prev.
BG Bank	359.61	350	363	382
Carlsberg B	360	348	354	360
Codan Fors	1021	1000	1020	1010
Danisco	389	378.05	390	387
Den Danske Bk	725.31	717	723.30	725.33
D/S Svendbrg B	430000	425000	430000	438000
D/S 1912 B	300000	299275	292000	300000
FLS Ind B	250	239	245	245
Kob Lufthavne	720	714	715	725
Novo Nordisk B	735	721.30	730	725
Sophus Ber B	975.97	[illegible]	975	970.67
Tele Danmk B	390	352.85	390	365.75
Tryg Baltica	420	414	420	422
Unidanmark A	415	405	411	412

Frankfurt
DAX: 4302.68 Previous: 4296.94

	High	Low	Close	Prev.
AMB B	1872	1845	1870	1840
Adidas	217.50	216	216	[illegible]
Allianz Hdg	450.50	[illegible]	[illegible]	443.50
Altana	191	[illegible]	183	183.50
Bk Berlin	46.95	45.40	[illegible]	[illegible]
BASF	[illegible]	[illegible]	70.50	70.10
Bayer Hypo Bk	[illegible]	72.35	[illegible]	[illegible]
Bay Vereinsbank	97	93.50	[illegible]	95.30
Bayer	76.05	74.40	75.10	75.55
Beiersdorf	89.80	87.90	88.60	[illegible]
Bewag	41.90	41.25	41.90	[illegible]
BMW	1472	[illegible]	[illegible]	1454
CKAG Colonia	[illegible]	172	[illegible]	182.50
Commerzbank	62.90	62.20	[illegible]	61.30
Daimler Benz	[illegible]	147.80	148.70	146.95
Degussa	[illegible]	[illegible]	100	[illegible]
Deutsche Bank	119.70	116.50	116.90	117.40
Deut Telekom	43.10	42.25	42.50	42.65
Dresdner Bank	81.33	79	79	80.50
Fresenius	341	329	340	341
Fresenius Med	153	150.50	151.40	155.30
Fried. Krupp	324	320	320.80	322
Gehe	113	111.50	112.80	111.50
Heidelbg Zmt	157.50	155	155.50	159
Henkel pfd	101.75	100.50	100.50	100.10
HEW	455	455	455	455
Hochtief	84	81	84	82.70
Hoechst	84.80	83.70	84.20	82.55
Karstadt	685	663	663	675
Lahmeyer	96.70	94	96.50	92.50
Linde	1365	1350	1365	1340
Lufthansa	35.65	35.25	35.35	34.75
MAN	557	544	544	549.50
Mannesmann	891	878	880.50	878
Metallgesellschaft	40.90	40.40	40.82	40.50
Metro	94.90	93.65	93.65	95.20
Munich Rueck R	6845	6790	6815	6730
Preussag	565	553	562	548.50
RWE	81.65	80.50	81	80.50
SAP pfd	432	424	424.50	424
Schering	205.80	202	203.50	200.50
SGL Carbon	245.50	241.75	242.75	247
Siemens	124.80	120.40	121.30	122.85
Springer (Axel)	N.T.	N.T.	N.T.	1635
Suedzucker	890	888	888	887
Thyssen	413	402.50	403	412
Veba	108.15	107.30	107.60	106.90
VEW	583	573	583	574
Viag	780	772.50	774.50	774
Volkswagen	1396	1365	1373	1369

Helsinki
HEX General index: 3604.70 Previous: 3632.86

	High	Low	Close	Prev.
Enso A	49.30	49	49	49.10
Huhtamaki I	247	244	245	248
Kemira	53.40	52	52	52.80
Kesko	77.90	77	77	77
Merita A	23.40	23	23.30	23.10
Metra B	188.50	187	188	186.50
Metsa-Serla B	47	46	46.40	45.80
Neste	138	137	138	138
Nokia A	474	468.50	471.90	482
Orion-Yhtymae	201.50	200	201.50	199.50
Outokumpu A	107	105.50	105.70	106
UPM-Kymmene	133.50	132.50	132.60	133.20
Valmet	87.30	86.60	87	87.30

Hong Kong
Hang Seng: 16371.52 Previous: 16259.59

	High	Low	Close	Prev.
Amoy Props	9.10	8.90	9	8.80
Bk East Asia	31.40	31	31.10	31.10
Cathay Pacific	14.65	14.05	14.25	14.65
Cheung Kong	88.75	87	87.50	87.50
CK Infrastruct	27.30	26.80	27.30	26.80
China Light	43.70	43.30	43.60	43.60
Citic Pacific	48.70	48	48.20	48
Dao Heng Bk	47.50	47.30	47.30	47.20
First Pacific	9.45	9.05	9.35	9.30
Hang Lung Dev	15.70	15.45	15.45	15.35
Hang Seng Bk	112	106	106.50	111
Henderson Inv	8.90	8.80	8.85	8.75
Henderson Ld	74.25	72.75	74	73.25
HK China Gas	16.35	16	16.05	16.40
HK Electric	31.50	30.80	31	31.20
HK Telecomm	19.90	19.30	19.40	19.75
Hopewell Hdgs	4.90	4.70	4.75	4.75
HSBC Hdgs	273	268	269	261
Hutchison Wh	79.50	77.50	78.75	77.50
Hysan Dev	25.95	25.50	25.50	25.65
Johnson El Hdg	20.70	20.35	20.40	20.15
Kerry Props	19.70	19.60	19.70	19.35
New World Dev	56.50	54.50	56	55
Oriental Press	3.15	3.03	3.10	3.05
Pearl Oriental	1.29	1.24	1.26	1.27
SHK Props	106	102	105.50	101.50
Shun Tak Hdgs	4.70	4.60	4.60	4.68
Sino Land Co.	8.20	8.05	8.20	8.10
Sth China Post	7.95	7.65	7.70	7.85
Swire Pac A	75.50	73	73	73.50
Wharf Hdgs	33	32.40	32.70	32.30
Wheelock	19	18.85	18.90	18.85

Jakarta
Composite index: 713.88 Previous: 718.71

	High	Low	Close	Prev.
Astra Intl	8100	8050	8075	8050
Bk Intl Indon	1825	1775	1800	1800
Bk Negara	1450	1425	1450	1450
Gudang Garm	9750	9625	9675	9800
Indocement	4200	4100	4125	4200
Indofood	5150	4975	5000	5075
Indosat	8075	8000	8050	8050
Sampoerna HM	8850	8525	8575	8850
Semen Gresik	4825	4550	4550	4825
Telekomunikasi	4025	3950	3975	3975

Johannesburg
All Market: 7492.64 Previous: 7445.19

	High	Low	Close	Prev.
Amalgamtd Bks	34.50	34.10	34.30	34.30
AngloAm Coal	258	257.50	257.50	257.50
AngloAm-Corp	261.25	260	260.25	260.25
AngloAm Gold	249	248.25	248.25	248.25
AngloAm Ind	208	204	204	204
AVMIN	12.75	12.50	12.40	12.40
Barlow	59.50	58.75	59	59
C.G. Smith	26.10	25.85	25.85	25.85
De Beers	169	167	166.50	166.50
Driefontein	33.55	32	32.75	32.75
Fst Natl Bk	37.75	37.10	37	37
Gencor	10.95	10.60	10.65	10.65
GFSA	92.25	91	90.50	90.50
Imperial Hdgs	61	60.50	60.50	60.50
Ingwe Coal	24.20	23.20	23.10	23.10
Iscor	3.35	3.12	3.27	3.27
Johnnies Indl	67.50	66.25	65.50	65.50
Liberty Hdgs	382	380.75	380	380
Liberty Life	142.75	140.25	140.50	140.50
LibLife Strat	18.70	18.50	18.50	19.50
Minorco	96.50	95	95.25	95.25
Nampak	19.25	18.80	18.80	18.80
Nedcor	95	92.50	92.25	92.25
Rembrandt Gp	46.50	45.65	45.70	45.70
Richemont	46.50	67.50	67.50	67.50
Rust Platinum	83.50	82.25	81.75	81.75
SA Breweries	[illegible]	146	146	146
Samancor	45	39.50	45	40
Sasol	57.75	56	56	56
SBIC	217.50	216	217.25	217.25
Tiger Oats	79	75	78	78

Kuala Lumpur
Composite: 945.08 Previous: 978.56

	High	Low	Close	Prev.
AMMB Hdgs	14	13.50	13.60	14
Genting	11	10.60	10.70	10.90
Mal Banking	24.30	23.20	23.30	24.40
Mal Intl Ship F	Susp.	Susp.	Susp.	6.70
Petronas Gas	9.10	8.65	8.85	9.10
Proton	11	10.30	10.30	11
Public Bk	3.74	3.66	3.72	3.66
Renong	3.36	3.22	3.26	3.38
Resorts World	7.50	7.25	7.40	7.45
Rothmans PM	25.50	23.50	24.50	25
Sime Darby	8	7.45	7.45	8
Telekom Mal	9.40	8.95	8.95	9.25
Tenaga	10.20	9.70	9.70	10.10
Utd Engineers	17.30	16.60	16.70	17.50
YTL	7.30	7.20	7.30	7.50

London
FT-SE 100: 4968.40 Previous: 4895.70

	High	Low	Close	Prev.
Abbey Natl	8.54	8.33	8.52	8.35
Allied Domecq	4.47	4.38	4.44	4.40
Anglian Water	7.82	7.67	7.78	7.72
Argos	6.30	6.24	6.30	6.27
Asda Group	1.47	1.42	1.46	1.42
Assoc Br Foods	5.20	5.16	5.18	5.08
BAA	5.82	5.62	5.80	5.60
Barclays	12.95	12.75	12.77	12.86
Bass	8.52	8.40	8.45	8.44
BAT Ind	5.15	5.01	5.08	5.02
Bank Scotland	4.42	4.30	4.40	4.32
Blue Circle	4.09	3.96	3.99	4.06
BOC Group	11.27	11.08	11.27	11.07
Boots	7.79	7.68	7.74	7.69
BPB Ind	3.41	3.37	3.41	3.35
Brit Aerosp	13.70	13.57	13.57	13.55
Brit Airways	6.37	6.12	6.31	6.11
BG	2.59	2.38	2.40	2.40
Brit Land	6.07	5.96	6.02	5.94
Brit Petm	8.63	8.22	8.48	8.20
BSkyB	4.62	4.52	4.59	4.60
Brit Steel	1.68	1.66	1.66	1.66
Brit Telecom	4.25	3.70	4.18	4.24
BTR	1.94	1.82	1.86	1.82
Burmah Castrol	10.70	10.50	10.63	10.38
Burton Gp	1.30	1.27	1.30	1.27
Cable Wireless	5.99	5.81	5.90	5.97
Cadbury Schw	6.03	5.85	5.95	5.85
Carlton Comm	4.90	4.84	4.85	4.86
Coml Union	6.94	6.85	6.91	6.84
Compass Gp	6.15	6.08	6.09	6.11
Courtaulds	3.16	3.12	3.14	3.14
Dixons	6.08	5.97	6.01	6.05
Electrocomponents	4.55	4.50	4.55	4.51
EMI Group	5.73	5.60	5.70	5.64
Energy Group	6.23	6.18	6.20	6.21
Enterprise Oil	7.07	7	7.04	7.02
Fam Colonial	1.74	1.73	1.74	1.72
Genl Accident	9.40	9.09	9.39	9.12
GEC	3.68	3.44	3.61	3.43
GKN	10.88	10.67	10.85	10.62
Glaxo Wellcome	13.35	13.01	13.25	13.01
Granada Gp	8.42	7.26	8.23	8.38
Grand Met	5.98	5.98	5.90	5.90
GRE	2.94	2.90	2.91	2.92
Greenalls Gp	4.40	4.33	4.34	4.42
Guinness	5.87	5.79	5.83	5.83
GUS	6.29	6.21	6.29	6.15
Hays	5.76	5.68	5.76	5.65
HSBC Hldgs	21.60	21.38	21.60	21.60
ICI	10.29	10.20	10.26	10.18
Impl Tobacco	3.84	3.78	3.82	3.81
Kingfisher	7.25	7.06	7.08	7.21
Ladbroke	2.58	2.51	2.52	2.50
Land Sec	9.40	9.22	9.37	9.25
Lasmo	2.85	2.79	2.83	2.79
Legal Genl Grp	4.55	4.38	4.55	4.34
Lloyds TSB Gp	7.60	7.25	7.55	7.30
LucasVarity	1.99	1.93	1.95	1.96
Marks Spencer	6	5.85	5.89	5.90
MEPC	4.95	4.88	4.95	4.90
Mercury Asset	13.55	13.48	13.54	13.50
National Grid	2.60	2.53	2.55	2.58
Natl Power	5.47	5.38	5.41	5.38
NatWest	8.75	8.19	8.35	8.70
Next	7.67	7.55	7.59	7.60
Norwich Union	3.25	3.16	3.22	3.19
Orange	2.10	2.07	2.09	2.08
P&O	6.40	6.27	6.27	6.34
Pearson	7.47	7	7.21	6.90
Pilkington	1.39	1.34	1.37	1.36
PowerGen	7.15	7.10	7.12	7.12
Premier Farnell	5.08	5	5	5.07
Prudential	6.12	5.98	6.10	5.98
Railtrack Gp	7.70	7.58	7.68	7.62
Rank Group	3.62	3.53	3.56	3.60
Reckitt Colm	9.83	9.70	9.82	9.85
Redland	2.90	2.83	2.88	2.87
Reed Intl	6.14	6.03	6.11	6.06
Rentokil Initial	2.17	2.12	2.17	2.12
Reuters Hdgs	6.62	6.40	6.60	6.35
Rexam	2.70	2.57	2.61	2.60
RMC Group	9.80	9.70	9.80	9.70
Rolls Royce	2.41	2.35	2.38	2.36
Royal Bk Scot	6.52	6.37	6.50	6.44
RTZ reg	9.92	9.79	9.92	9.79
Royal & Sun All	5.12	4.91	5.09	4.93
Safeway	3.94	3.85	3.91	3.87
Sainsbury	4.40	4.27	4.37	4.29
Schroders	17.95	17.75	17.95	17.85
Scot Newcastle	7.34	7.15	7.17	7.23
Scot Power	4.30	4.17	4.25	4.20
Securicor	2.78	2.73	2.77	2.75
Severn Trent	8.55	8.44	8.51	8.49
Shell Transp R	4.60	4.43	4.59	4.44
Siebe	10.97	10.92	10.95	10.90
Smith Nephew	1.74	1.71	1.72	1.73
SmithKline	11.94	11.66	11.86	11.68
Smiths Ind	8.11	7.97	8.04	7.93
Sthern Elec	4.48	4.37	4.47	4.40
Stagecoach	6.78	6.60	6.69	6.74
Stand Charter	10.09	9.93	10.08	10.03
Tate & Lyle	4.10	4	4.08	4.02
Tesco	4.36	4.16	4.31	4.20
Thames Water	7.87	7.72	7.82	7.78
3i Group	4.65	4.60	4.60	4.62
TI Group	5.58	5.45	5.55	5.43
Tomkins	3.13	3.07	3.11	3.07
Unilever	18.56	18.35	18.35	18.40
Utd Assurance	4.54	4.33	4.37	4.35
Utd News	6.90	6.85	6.88	6.88
Utd Utilities	7.02	6.92	6.98	6.93
Vendome Lx Uts	4.57	4.50	4.50	4.45
Vodafone	3.02	3.04	3.06	3.04
Whitbread	8.57	8.45	8.50	8.55
Williams Hdgs	3.28	3.24	3.25	3.25
Wolseley	4.50	4.33	4.46	4.34
WPP Group	2.68	2.62	2.65	2.62
Zeneca	20.55	19.98	20.38	20.10

Madrid
Bolsa index: 586.56 Previous: 583.72

	High	Low	Close	Prev.
Acerinox	27800	27520	27520	27550
ACESA	1800	1775	1800	1755
Aguas Barcelon	5870	5670	5750	5800
Argentaria	8150	7950	8040	8120
BBV	3975	3885	3935	3945
Banesto	1445	1405	1440	1430
Bankinter	7650	7500	7540	7600
Bco Centro Hisp	5840	5740	5780	5800
Bco Popular	34970	34010	34970	34260
Bco Santander	4340	4215	4285	4260
CEPSA	4700	4535	4600	4660
Continente	3260	3180	3200	3230
Corp Mapfre	8480	8160	8370	8320
Endesa	3200	3070	3075	3130
FECSA	1270	1235	1265	1235
Gas Natural	7080	6820	6860	7000
Iberdrola	1820	1770	1815	1760
Pryca	2985	2880	2985	2925
Repsol	6250	6120	6210	6100
Sevillana Elec	1440	1380	1425	1400
Tabacalera	7900	7720	7750	7710
Telefonica	4075	3990	4065	3990
Union Fenosa	1235	1215	1235	1230
Valenc Cement	2625	2565	2610	2545

Manila
PSE index: 2676.28 Previous: 2639.53

	High	Low	Close	Prev.
Ayala B	18.50	18.25	18.25	18.25
Ayala Land	21.75	21.25	21.50	21.50
Bk Philip Isl	153	150	151	151
C&P Homes	10.50	9.90	10	9.70
Manila Elec A	86.50	84	86.50	84.50
Metro Bank	565	555	565	565
Petron	6.30	6.10	6.20	6
PCIBank	228	220	224	225
Phil Long Dist	945	940	945	945
San Miguel B	65.50	63.50	64	63
SM Prime Hdg	8.30	8	8.20	7.90

Mexico
Bolsa index: 5173.16 Previous: 5135.24

	High	Low	Close	Prev.
Alfa A	63.90	63.20	63.60	63.40
Banacci B	25.60	24.50	25.00	24.40
Cemex CPO	42.80	41.80	42.40	41.75
Cifra C	13.96	13.86	13.88	13.90
Emp Modema	43.50	42.90	42.90	43.00
Gpo Carso A1	62.60	62.10	62.10	62.00
Gpo F Bcomer	3.70	3.42	3.63	3.42
Gpo Fin Inbursa	37.60	37.00	37.00	37.00
Kimb Clark Mex	38.20	37.20	38.20	37.60
Televisa CPO	123.20	122.50	123.00	122.50
TelMex L	21.90	21.75	21.85	21.75

Milan
MIB Telematico: 14324.00 Previous: 14438.00

	High	Low	Close	Prev.
Alleanza Assic	14910	14500	14500	14700
Bco Comm Ital	4005	3830	3870	3990
Bco Fideuram	6000	5555	5620	5830
Bca di Roma	1737	1595	1672	1668
Benetton	27250	26500	26800	26900
Credito Italiano	3415	3265	3305	3445
Edison	8300	7960	7960	8215
ENI	10450	10205	10350	10300
Fiat	6000	5800	5880	5925
Generali Assic	35100	34250	34300	34700
IMI	17280	16550	16810	17050
INA	2630	2565	2565	2615
Italgas	5450	5310	5325	5345
Mediaset	8080	7810	7845	8030
Mediobanca	11700	11100	11345	11695
Montedison	1137	1115	1121	1128
Olivetti	645	621	645	629
Parmalat	2545	2490	2510	2515
Pirelli	4860	4760	4785	4750
RAS	15045	14520	14525	14905
Rolo Banca	21350	20150	20150	21050
S Paolo Torino	13700	13400	13405	13500
Telecom Italia	11215	10820	10970	11060
TIM	6230	6030	6065	6150

Montreal
Industrials index: 3705.17 Previous: 3723.97

	High	Low	Close	Prev.
Bce Mob Com	48.60	48	48.60	48.85
Cdn Tire A	27.70	27.15	27½	27.15
Cdn Util A	39.85	39¾	39¾	40.05
CT Finl Svc	42.95	42.95	43.95	43½
Gaz Metro	18.85	18.60	18¾	18.85
Gt-West Lifeco	33¼	33¼	33¼	33¾
Imasco	41	40.70	40.95	40½
Investors Grp	37.80	37.45	37.45	38
Loblaw Cos	20.40	19¾	20¼	20.10
Natl Bk Canada	17¾	17.65	17.70	17.70
Power Corp	38.95	38.70	38¾	39
Power Finl	38.10	37.85	38	37.80
Quebecor B	27.35	27.20	27¼	27.35
Rogers Comm B	10.65	10.65	10.65	10.65
Royal Bk Cda	66¼	65.80	66	66.30

Oslo
OBX index: 708.32 Previous: 709.00

	High	Low	Close	Prev.
Aker A	148.50	146.50	147	147.50
Bergesen Dy A	197	195	197	195
Christiania Bk	29.50	27.80	28.70	27.90
Den norske Bk	33.90	33.20	33.50	33.10
Elkem	157	154	156.50	154
Hafslund A	46	45	45.50	47
Kvaerner Asa	441.50	440	441	439
Norsk Hydro	401	397	399	396
Norske Skog A	282	277.50	280	278
Nycomed A	159	145	158	157.50
Orkla Asa A	567	552	553	546
Petm GeoSvc	424	416	424	417
Saga Petm A	154	153	153.50	151
Schibsted	130	128.50	129	127
Transocean Off	625	620	625	615
Storebrand Asa	48.60	48.30	48.30	48.10

Paris
CAC-40: 2984.10 Previous: 2992.41

	High	Low	Close	Prev.
Accor	948	933	945	933
AGF	216	208.50	215.30	212.90
Air Liquide	954	932	941	947
Alcatel Alsth	851	829	845	845
Axa-UAP	405.70	400.80	403.20	400.40
Bancaire	784	766	775	764
BIC	530	511	516	530
BNP	284	274	275	280.50
Canal Plus	1150	1095	1100	1135
Carrefour	4100	3987	3996	4051
Casino	287.20	284.60	286	285.30
CCF	312	298.50	307.90	310
Cetelem	710	697	701	700
Christian Dior	985	952	952	977
CLF-Dexia Fran	595	584	587	584
Credit Agricole	1269	1260	1260	1270
Danone	963	950	954	952
Elf-Aquitaine	689	671	673	676
Eridania BS	871	821	843	864
Eurodisney	9	8.70	8.90	9
Eurotunnel	7.45	7.20	7.35	7.55
Gen. Eaux	743	728	730	740
Havas	415	406.10	407	412.90
Imetal	860	846	846	868
Lafarge	425	418.60	422.80	419.60
Legrand	1207	1180	1195	1205
L'Oreal	2439	2351	2385	2390
LVMH	1563	1491	1535	1527
Michelin B	382.90	374.50	380.20	379.90
Paribas A	450	440.60	442.30	448.10
Pernod Ricard	306.40	300.60	306.40	300.50
Peugeot Cit	708	691	698	693
Pinault-Print	2755	2705	2715	2738
Promodes	2400	2333	2359	2386
Renault	170.50	166.50	170	166.90
Rexel	1660	1621	1650	1662
Rh-Poulenc A	259.80	249	258	255.30
Sanofi	636	615	619	613
Schneider	348.50	339.20	341.30	339.10
SEB	1030	1010	1015	1025
SGS Thomson	587	571	579	568
Ste Generale	810	795	800	810
Sodexho	3011	2962	2999	3045
St Gobain	905	881	889	887
Suez (Cie)	16.10	15.85	15.85	16.20
Suez Lyon Eaux	670	651	656	667
Synthelabo	760	753	759	760
Thomson CSF	161.50	158.10	158.60	160.10
Total B	607	593	604	600
Usinor	118.20	116.20	117.50	115.10
Valeo	395	380.50	382.90	393

São Paulo
Bovespa index: 12116.10 Previous: 12016.90

	High	Low	Close	Prev.
Bradesco Pfd	11.50	11.30	11.40	11.45
Brahma Pfd	810.00	791.00	810.00	794.00
Cemig Pfd	58.00	57.00	57.20	56.40
CESP Pfd	79.50	77.10	78.00	78.00
Copel	18.30	18.20	18.20	18.20
Eletrobras	555.00	546.00	549.99	540.00
Itaubanco Pfd	628.00	624.99	625.00	624.00
Light Servicos	542.00	536.50	536.80	537.00
Lightpar	456.99	454.97	455.00	453.00
Petrobras Pfd	315.00	304.00	305.00	310.01
Paulista Luz	207.50	202.00	207.50	201.00
Sid Nacional	34.80	34.50	34.70	34.61
Souza Cruz	11.20	11.00	11.10	11.10
Telebras Pfd	151.50	149.00	150.00	148.00
Telemig	191.00	182.99	186.00	181.51
Telerj	168.00	167.00	168.00	164.50
Telesp Pfd	352.01	347.00	348.00	346.00
Unibanco	39.50	38.70	39.00	40.00
Usiminas Pfd	12.51	12.15	12.32	12.00
CVRD Pfd	28.50	28.10	28.10	28.00

Seoul
Composite index: 748.86 Previous: 734.19

	High	Low	Close	Prev.
Dacom	96000	94500	96000	94500
Daewoo Heavy	7900	7750	7840	7840
Hyundai Eng.	21000	20500	20700	20500
Kia Motors	14900	14000	14000	15200
Korea El Pwr	26300	26000	26300	26000
Korea Exch Bk	5590	5400	5570	5400
LG Semicon	45400	44000	45100	44900
Pohang Iron St	58900	57500	58200	58100
Samsung Display	45600	44000	45400	45000
Samsung Elec	69000	66200	69000	64000
Shinhan Bank	9580	9400	9450	9540
SK Telecom	458000	450000	458000	453000

Singapore
Straits Times: 1951.71 Previous: 1963.60

	High	Low	Close	Prev.
Asia Pac Brew	5.80	5.80	5.80	5.90
Cerebos Pac	5.65	5.60	5.60	5.60
City Devlts	13.20	12.90	13	12.90
Cycle Carriage	13.10	12.80	13.10	13
Dairy Farm Int*	0.95	0.90	0.94	0.87
DBS foreign	19.20	16.10	18.30	18.60
DBS Land	4.60	4.50	4.52	4.52
Fraser & Neave	10.40	9.85	9.90	10.50
HK Land*	3.24	2.80	3.08	2.55
Jard Matheson*	8.25	7.40	7.85	7.05
Jard Strategic*	4.20	3.80	4.12	3.76
Keppel A	6.35	6.20	6.25	6.25
Keppel Bank	3.78	3.74	3.74	3.72
Keppel Fels	4.96	4.90	4.92	5
Keppel Land	4.38	4.30	4.30	4.30
OCBC foreign	14.70	14.20	14.40	14.40
OS Union Bk F	9.40	9.10	9.20	9.25
Parkway Hdgs	6.70	6.50	6.60	6.50
Sembawang	6.90	6.70	6.90	6.65
Sing Air foreign	13.70	13.50	13.70	13.50
Sing Land	7.55	7.05	7.05	7.40
Sing Press F	28.60	27.60	27.80	28.50
Sing Tech Ind	3.80	3.70	3.70	3.70
Sing Telecomm	2.72	2.60	2.60	2.78
Tat Lee Bank	2.80	2.78	2.79	2.78
Utd Industrial	1.12	1.09	1.10	1.11
Utd OSea Bk F	15.10	14.40	14.70	15.10
Wing Tai Hdgs	3.96	3.84	3.86	3.96

*: in U.S. dollars.

Stockholm
SX 16 index: 3530.83 Previous: 3506.94

	High	Low	Close	Prev.
AGA B	108.50	107	107.50	107
ABB A	108	105.50	107	106.50
AssiDoman	231	229	231	230
Astra A	150.50	147	149.50	145.50
Atlas Copco A	234	227.50	233	225
Autoliv	291	285	289	283.50
Electrolux B	615	600	615	600
Ericsson B	357.50	353	355.50	354
Hennes B	336	330	332.50	332
Incentive A	650	636	648	643
Investor B	422	415	421	415.50
MoDo B	278	274	275.50	276
Nordbanken	263	260	261	262.50
Pharm/Upjohn	301.50	298	301	304.50
Sandvik B	239.50	236	239	235
Scania B	233.50	220	223.50	227.50
SCA B	185.50	182	184	183
S-E Banken A	89.50	86.50	88	89
Skandia Fors	322	315	315	323.50
Skanska B	344	337	339.50	339
SKF B	213	210	213	210
Sparbanken A	181	176.50	180	176.50
Stora A	134	131	132.50	131.50
Sv Handles A	253	249	250	254
Volvo B	216	213.50	215.50	214.50

Sydney
All Ordinaries: 2787.40 Previous: 2706.00

	High	Low	Close	Prev.
Amcor	8.51	8.46	8.46	8.48
ANZ Bking	10.64	10.49	10.63	10.51
BHP	17.90	17.73	17.87	17.85
Boral	4.08	3.98	4.01	4.06
Brambles Ind.	27.70	27.40	27.60	27.65
CBA	16.60	16.40	16.42	16.53
CC Amatil	16.18	16.05	16.08	16.14
Coles Myer	6.83	6.78	6.78	6.77
Comalco	7.06	7.01	7.05	7
CSR	5.19	5.14	5.17	5.15
Fosters Brew	2.64	2.60	2.63	2.59
Goodman Fld	2.06	2	2.06	2.02
ICI Australia	13.40	13.10	13.21	13.35
Lend Lease	30.08	29.83	30.05	29.85
MIM Hdgs	1.83	1.80	1.82	1.81
Nat Aust Bank	19.45	19.37	19.44	19.37
Nat Mutual Hdg	2.24	2.22	2.22	2.23
News Corp	6.10	6	6.05	6.09
Pacific Dunlop	3.64	3.55	3.61	3.58
Pioneer Intl	4.92	4.84	4.89	4.84
Pub Broadcast	8.30	8.23	8.24	8.30
Rio Tinto	20.70	20.40	20.48	20.67
St George Bank	8.92	8.87	8.86	8.87
WMC	7.74	7.65	7.66	7.70
Westpac Bking	8.51	8.41	8.43	8.46
Woodside Pet	11.30	11.12	11.25	11.10
Woolworths	4.27	4.24	4.26	4.24

Taipei
Stock Market index: 9919.68 Previous: 10065.76

	High	Low	Close	Prev.
Cathay Life Ins	152	149	150	151
Chang Hwa Bk	120	117	117	119.50
Chiao Tung Bk	74.50	74.50	74.50	80
China Develpmt	136	133	133.50	136
China Steel	31	30	30.20	31.20
First Bank	120.50	117	117.50	120
Formosa Plastic	66.50	65	65	65
Hua Nan Bk	129	125.50	126	128.50
Intl Comm Bk	64.50	63	63	64
Nan Ya Plastics	76	73	73.50	75
Shin Kong Life	108	104	104	108
Taiwan Semi	165	158	158	163
Tatung	47.20	47	47	47.20
Utd Micro Elec	145	138	138.50	144
Utd World Chin	65	63.50	64.50	63.50

Tokyo
Nikkei 225: 19514.45 Previous: 19668.87

	High	Low	Close	Prev.
Ajinomoto	1110	1070	1070	1090
All Nippon Air	710	702	705	705
Amway	3600	3550	3580	3620
Asahi Bank	850	835	838	837
Asahi Chem	621	600	608	609
Asahi Glass	1070	1050	1050	1060
Bk Tokyo Mitsu	2180	2130	2180	2150
Bk Yokohama	570	560	565	569
Bridgestone	2780	2740	2770	2770
Canon	3610	3440	3520	3620
Chubu Elec	2050	2020	2040	2020
Chugoku Elec	1990	1970	1990	1970
Dai Nipp Print	2720	2690	2710	2710
Daiei	895	830	890	860
Dai-Ichi Kang	1460	1430	1450	1440
Daiwa Bank	562	549	560	560
Daiwa House	1350	1330	1340	1340
Daiwa Sec	798	780	790	798
DDI	7800a	7630a	7660a	7830a
Denso	2840	2760	2800	2830
East Japan Ry	5200a	5100a	5140a	5100a
Eisai	2510	2470	2480	2480
Fanuc	5290	5080	5090	5250
Fuji Bank	1460	1420	1450	1440
Fuji Photo	4830	4680	4770	4800
Fujitsu	1730	1680	1700	1740
Hachijuni Bk	1130	1110	1130	1100
Hitachi	1340	1310	1330	1350
Honda Motor	3710	3590	3620	3730
IBJ	1580	1540	1580	1560
IHI	399	391	391	394
Itochu	540	526	529	537
Ito-Yokado	6560	6500	6550	6500
JAL	504	488	492	500
Japan Tobacco	9380a	9200a	9260a	9380a
Jusco	3350	3220	3350	3210
Kajima	580	557	563	581
Kansai Elec	2250	2220	2250	2240
Kao	1770	1700	1720	1760
Kawasaki Hvy	476	468	471	470
Kawa Steel	330	319	324	325
Kinki Nipp Ry	685	679	683	684
Kirin Brewery	1090	1070	1070	1090
Kobe Steel	188	181	182	188
Komatsu	816	800	815	794
Kubota	507	492	492	492
Kyocera	9920	9560	9600	9990
Kyushu Elec	1990	1950	1990	1950
LTCB	516	503	509	515
Marubeni	467	446	452	459
Marui	1940	1840	1900	1920
Matsu Comm	4950	4700	4810	5050
Matsu Elec Ind	2460	2410	2410	2430
Matsu Elec Wk	1410	1350	1360	1440
Mitsubishi	1240	1200	1220	1220
Mitsubishi Ch	315	304	304	306
Mitsubishi El	621	607	616	621
Mitsubishi Est	1600	1540	1580	1580
Mitsubishi Hvy	824	811	824	807
Mitsubishi Mat	663	640	650	649
Mitsubishi Tr	1650	1610	1610	1640
Mitsui	1100	1070	1090	1110
Mitsui Fudosn	1420	1360	1380	1400
Mitsui Trust	698	685	685	698
Murata Mfg	5220	5160	5200	5090
NEC	1710	1660	1680	1710
Nikon	2180	2100	2120	2100
Nikko Sec	647	623	625	633
Nintendo	11400	11100	11400	11500
Nipp Express	774	756	768	753
Nippon Oil	538	525	526	528
Nippon Steel	322	316	317	317
Nissan Motor	735	696	734	730
NKK	210	203	209	211
Nomura Sec	1660	1610	1630	1650
NTT	1200b	1150b	1170b	1210b
NTT Data	5320b	5150b	5190b	5350b
Oji Paper	620	608	620	600
Osaka Gas	293	285	285	287
Ricoh	1800	1720	1750	1810
Rohm	14300	14200	14200	14800
Sakura Bk	709	693	693	702
Sankyo	4240	4100	4120	4090
Sanwa Bank	1570	1540	1560	1540
Sanyo Elec	478	460	463	479
Secom	8980	8650	8750	9000
Seibu Rwy	5500	5420	5500	5420
Sekisui Chem	979	970	974	981
Sekisui House	1160	1130	1140	1130
Seven-Eleven	9210	9050	9150	9200
Sharp	1460	1430	1450	1480
Shikoku El Pwr	1970	1950	1960	1950
Shimizu	594	578	580	585
Shin-etsu Ch	3280	3180	3200	3290
Shiseido	1950	1910	1930	1930
Shizuoka Bk	1230	1200	1230	1210
Softbank	5850	5700	5800	5740
Sony	11900	11600	11900	12000
Sumitomo	1050	1020	1040	1040
Sumitomo Bk	1810	1750	1780	1800
Sumit Chem	458	446	450	450
Sumitomo Elec	1970	1930	1950	1970
Sumit Metal	287	276	282	285
Sumit Trust	1070	1050	1060	1070
Taisho Pharm	3100	2990	3050	3060
Takeda Chem	3430	3370	3410	3370
TDK	10100	9700	9820	10300
Tohoku El Pwr	2000	1970	1990	1980
Tokai Bank	1040	1030	1030	1040
Tokio Marine	1450	1420	1430	1430
Tokyo El Pwr	2260	2240	2260	2250
Tokyo Electron	7250	7000	7040	7300
Tokyo Gas	296	290	292	290
Tokyu Corp.	639	630	630	632
Tonen	1230	1180	1210	1220
Toppan Print	1930	1850	1890	1880
Toray Ind	772	754	770	764
Toshiba	763	747	750	746
Tostem	2600	2510	2520	2600
Toyo Trust	902	890	894	895
Toyota Motor	3260	3100	3160	3290
Yamanouchi	3060	3010	3010	3070

a: x 100; b: x 1,000

Toronto
TSE Industrials: 6870.59 Previous: 6851.14

	High	Low	Close	Prev.
Abitibi Cons.	27.80	27.65	27.65	27.55
Alberta Energy	33	32.10	32.90	32¼
Alcan Alum	55.70	54.60	55	53.60
Anderson Expl	17¾	17½	17.70	17.60
Bk Montreal	57.45	56.80	57.40	57½
Bk Nova Scotia	65.45	65.10	65.40	65.35
Barrick Gold	31.10	30.30	30.35	31.30
BCE	42.30	41.85	42.10	41.80
BC Telecomm	35¼	34.80	34.85	35
Biochem Pharm	39.70	39.15	39¼	39½
Bombardier B	32¼	32	32.45	31¾
Brascan A	35.90	35.70	35.70	35.65
Cameco	53½	52.90	53	52.10
CIBC	39¼	38.95	39¼	39.05
Cdn Natl Rail	70.10	69.70	69.90	71
Cdn Natl Res	37¼	37	37	36.80
Cdn Occid Pet	36.40	36.35	36.55	36.35
Cdn Pacific	41.45	41.05	41.20	40.90
Cominco	38.45	38	38	38.40
Dofasco	29.20	28.80	29.05	29.10
Domtar	12.30	12¼	12.30	12.30
Donohue A	34¼	33.90	34¼	33.80
Du Pont Cda A	32	30½	31.80	32
Edper Group	23.90	23	23.85	23.90
EuroNev Mng	43½	42¼	43	43½
Fairfax Finl	393½	391	391	391
Falconbridge	29.20	28.55	29.15	29.10
Fletcher Chall A	23.85	23.65	23.70	23.55
Franco Nevada	64.20	61½	62.10	64.45
Gulf Cda Res	10½	10¼	10.35	10.45
Imperial Oil	74½	73	74½	71.80
Inco	43	42.60	42.70	42.60
IPL Energy	52.90	51.95	52	53
Laidlaw B	21.85	21.70	21.80	21¾
Loewen Group	48.40	47¼	47.90	48¼
Macmill Bld	19.20	19.05	19.10	19.15
Magna Intl A	94	91¾	92	91.90
Methanex	12¾	12.55	12¾	12.60
Moore	30½	30.20	30.45	30.35
Newbridge Net	69.85	68¼	69¼	70.20
Noranda Inc	30	29.80	29.80	29¾
Norcen Energy	33.20	32½	33.20	32½
Nthern Telecom	145	142¾	144	143.10
Nova	12.10	11.95	12.05	12
Onex	31½	31	31¼	30¾
Pancdn Petlm	27¼	27	27¼	26½
Petro Cda	25.30	24.60	25.15	24.65
Placer Dome	23.60	23.05	23.20	23.70
Poco Petlm	13.95	13.70	13.80	13.60
Potash Sask	105.95	105	105.80	104.95
Renaissance	36.10	35.40	36	34.65
Rio Algom	35¼	34.65	35	34.65
Rogers Cantel B	28¾	28½	28½	28¼
Seagram Co	52.40	51.85	52.20	52½
Shell Cda A	24.65	23¼	24.60	22¾
Suncor	48	46¼	46.90	46¾
Talisman Eny	43.45	42.90	43.45	42.90
Teck B	27¼	27	27	27¼
Teleglobe	50.70	50¼	50½	49¾
Telus	26.85	26.70	26¾	26.70
Thomson	34.95	34½	34.85	34.15
TorDom Bank	44½	43.90	44	44
Transalta	17¼	17.05	17¼	17.05
TransCda Pipe	27½	27.20	27.45	27.45
Trimark Finl	69½	69.35	69.45	69.45
Trizec Hahn	32.85	32.10	32¼	32.20
TVX Gold	6¼	6	6.15	6¼
Westcoast Eny	27.90	27½	27.65	27½
Weston	102½	95	96	95.20

Vienna
ATX index: 1436.48 Previous: 1452.11

	High	Low	Close	Prev.
Boehler-Uddeh	1024.95	1005	1015.90	1008.10
Creditanst Pfd	593	560	565.80	581.90
EA-Generali	3400	3290	3290	3425
EVN	1626	1602	1609	1614
Flughafen Wien	541.70	520	527	538
OMV	1786.90	1758.25	1777	1780
Oest Elektriz	880	870.50	876	876
VA Stahl	587.80	560	572.40	567.55
VA Tech	2649	2539.20	2554.50	2615.10
Wienerberg Bau	2759	2705.50	2719	2705.50

Wellington
NZSE-40 index: 2542.91 Previous: 2558.78

	High	Low	Close	Prev.
Air NZeald B	4.62	4.61	4.61	4.63
Brierly Invt	1.40	1.39	1.39	1.38
Carter Holt ord	3.75	3.73	3.73	3.79
Fletch Ch Bldg	4.42	4.40	4.40	4.41
Fletch Ch Eny	5.37	5.32	5.33	5.40
Fletch Ch Forst	2.00	1.98	1.98	1.99
Fletch Ch Paper	3.50	3.47	3.47	3.50
Lion Nathan	4.07	4.05	4.05	4.10
Telecom NZ	7.75	7.63	7.64	7.71
Wilson Horton	11.80	11.80	11.80	11.85

Zurich
SPI index: 3681.31 Previous: 3685.87

	High	Low	Close	Prev.
ABB B	2200	2142	2169	2135
Adecco B	603	586	586	586
Alusuisse R	1406	1387	1399	1382
Ares-Serono B	2470	2440	2450	2435
Atel R	850	850	850	850
Baer Hdg B	2200	2160	2170	2150
Baloise Hdg R	3650	3630	3635	3630
BK Vision	1245	1219	1234	1238
Ciba Spec Chem	140	135.25	140	136.50
Clariant R	1104	1082	1090	1090
Crd Suisse Gp R	200.50	195	196	196.75
Elektrowatt B	537	536	536	536
Ems-Chemie	6950	6750	6800	6855
ESEC Hdg	4910	4850	4850	4900
Holderbank B	1388	1352	1361	1370
Liechtenst LB B	600	596	600	598
Nestle R	1928	1903	1924	1900
Novartis R	2386	2322	2325	2353
Oerlikon Bueh R	153	148.50	149.75	151
Pargesa Hld B	1995	1980	1985	1995
PharmVisn B	970	958	960	956
Richemont A	2250	2200	2200	2239
Pirelli PC	335	332	334.50	334
Roche Hdg PC	14460	14110	14300	14260
SBC R	411	398.50	408	400
Schindler PC	1979	1943	1943	1941
SGS B	3060	3015	3045	3045
SMH B	875	858	868	860
Sulzer R	1150	1130	1137	1137
Swiss Reins R	2169	2125	2138	2151
Swissair R	1933	1875	1920	1915
UBS B	1690	1625	1627	1668
Winterthur R	1499	1471	1493	1469
Zurich Assur R	607	597	602	603

NYSE

Tuesday's 4 P.M. Close

Nationwide prices not reflecting late trades elsewhere.

The Associated Press.

Continued on Page 16

Trade Deficit Rocks Malaysian Stocks

Compiled by Our Staff From Dispatches

KUALA LUMPUR — Malaysian stocks posted their biggest one-day drop in 31 months Tuesday, as bank shares such as Malayan Banking Bhd. tumbled a day after the country reported a larger-than-expected trade deficit for June.

Malaysia said Monday the June trade deficit was 2.8 billion ringgit ($1.06 billion), erasing a surplus of 156.8 million ringgit in May.

The benchmark Kuala Lumpur Composite Index of 100 stocks fell 33.48 points, or 3.42 percent, to 945.08, its biggest one-day drop since January 1995.

The broader KL Emas Index fell 7.72 points, or 2.74 percent, to 273.79.

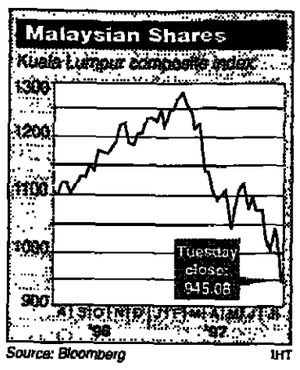
Malayan Banking, the country's biggest bank in terms of assets and branches, dropped 1.10 ringgit to close at 23.30. Sime Darby Bhd., which has interests in banking and real estate, declined 0.55 to 7.45.

Analysts said the banking shares were falling on concern that the Malaysian central bank's latest moves to defend the ringgit while trying to keep interest rates from rising would crimp banks' earnings. The KL Finance Index of banks and finance-related shares fell for a fifth day, losing 249.93 points, or 2.97 percent, to 8,173.15.

The large June trade deficit widened Malaysia's current-account deficit, a broader measure that includes trade in services and some financial flows. That hurts the value of the ringgit, which in turn erodes the value of international investors' ringgit-denominated holdings and causes dollar debts held by Malaysian companies to grow.

The deficit's size "stunned the market," said Audrey Ho, head of research at Mohaiyani Research. She called the deficit "slightly larger than the worst-case scenario."

"It's disastrous," said Joanne Marie Lopez, a fund manager at Utama Merchant Bank Bhd.



The large trade deficit is expected to deepen concerns that Southeast Asian currencies are overvalued, analysts said.

"Currency is still the big worry," Miss Lopez said. "If you're an international investor, there's no point in trying to look for great returns in this market if the currency's just going to wipe it out."

The ringgit has depreciated 3.6 percent as a result of speculative attacks on regional currencies since July 2, when Thailand effectively devalued the baht by allowing it to float, in hope of propping up that country's troubled financial and property sectors.

Separately, Malaysia's minister of trade and finance, Rafidah Aziz, said Malaysian exporters should take advantage of the lower ringgit to expand their exports, the official Bernama news agency reported.

The lower ringgit will make Malaysian products cheaper and may lead to an increase in demand overseas, she said. Malaysian entrepreneurs should take advantage of the situation and aggressively push their products overseas, she said. *(Bloomberg, Bridge News)*

Moody's Says Seoul's Debt Faces Risk of Downgrade

Agence France-Presse

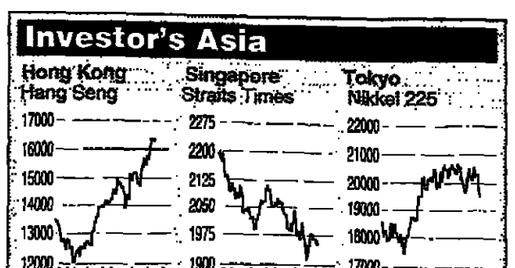
SEOUL — Moody's Investors Service Inc. said Tuesday it was reviewing two of South Korea's credit ratings for a possible downgrade.

Moody's said it was conducting the review in light of "a large and rapid buildup of short-term debt in recent years."

The review covers South Korea's Prime-1 foreign-currency rating for short-term notes and bank deposits and its A-1 foreign-currency rating for long-term bank deposits.

Moody's said it was examining the "weakening financial health of the corporate and banking sectors" and the "ongoing deterioration of the North Korean economy."

Investor's Asia



Exchange	Index	Tuesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	16,371.52	16,259.58	+0.69
Singapore	Straits Times	1,951.71	1,963.69	-0.61
Sydney	All Ordinaries	2,707.60	2,705.80	+0.07
Tokyo	Nikkei 225	19,514.45	19,668.07	-0.78
Kuala Lumpur	Composite	945.08	978.56	-3.42
Bangkok	SET	648.47	663.82	-2.31
Seoul	Composite Index	740.96	734.19	+0.91
Taipei	Stock Market Index	9,919.68	10,065.76	-1.45
Manila	PSE	2,678.20	2,639.53	+1.39
Jakarta	Composite Index	713.88	718.71	-0.67
Wellington	NZSE-40	2,543.91	2,558.78	-0.58
Bombay	Sensitive Index	4,548.02	4,485.37	+1.85

Source: Telekurs International Herald Tribune

■ Union Supports Kia Bailout

The Korea Automobile Workers Federation Automotive said it would stage a general strike at the nation's automakers on or after Aug. 15 unless the bankrupt Kia Group received rescue loans, AFX News reported.

The federation, which has 60,000 members at five carmakers and 30 parts suppliers, also called for the resignation of Finance Minister Kang Kyong Sik.

Mr. Kang has rejected calls for financial assistance for Kia's subcontractors and endorsed a decision by creditors to suspend emergency loans to the group. Many Kia subcontractors face possible bankruptcy.

The federation said the government and creditor banks were seeking the resignation of Kia directors under a scenario to support a takeover bid by "a certain conglomerate," apparently referring to Samsung Group.

Very briefly:

• **Dai-Ichi Kangyo Bank Ltd.**, which has been punished by the Japanese government for making payoffs to an extortionist, is temporarily cutting by 10 percent to 60 percent the pay of five auditors and all 32 board members.

• **Japan's** purchases of foreign-made semiconductors reached 32.6 percent of its total purchases in the first quarter, the United States reported, the highest rate ever under a pact first reached in 1991 that calls for reserving at least 20 percent of the market for imports.

• **Japan's** international trade and industry minister, Shinji Sato, said **China had to** improve its service sector and tariffs before it could be considered for membership in the World Trade Organization.

• **Singapore's** High Court ordered the former Merrill Lynch & Co. private banker Kevin Wallace, who has been charged with money laundering, to return for questioning over assets he declared to the court, a lawyer close to the case said.

• **The Philippines'** budget surplus will total 6.5 billion pesos ($226.1 million) this year, Finance Secretary Roberto de Ocampo said, and 13.2 billion pesos in 1998.

AFP, Market News, AP, Bridge News

Australia Nickel Firm's Sweetener Helps Deal's Chances

Compiled by Our Staff From Dispatches

SYDNEY — The takeover of Billiton Nickel PLC by the Australian nickel producer QNI Ltd. is likely to get grudging shareholder approval after the deal was sweetened Tuesday, analysts said.

Billiton's stake in what will be the world's fifth-biggest nickel producer will be 52.5 percent, rather than the 56 percent originally planned, under the new plan. QNI will sell Billiton 455.8 million shares in return for the nickel assets of the British-based mining company spun off last month from Gencor Ltd. of South Africa.

After completion of the deal, valued at 2.3 billion Australian dollars ($1.70 billion), the company will reduce capital by 30 cents a share, making a total payment to shareholders, including Billiton, of 260 million dollars in October.

The initial purchase plan, announced in mid-June, met a wall of dissent from Australian shareholders who said they were disappointed that Gencor was not paying a takeover premium and that the deal overvalued Billiton's assets.

QNI and Gencor commissioned an independent evaluation of the deal in response to the shareholders' complaints. The evaluator's report, also issued Tuesday, said that the deal was fair and reasonable and that QNI's valuation of Billiton's assets was within reason.

Analysts and brokers said investors were likely to accept the deal at a shareholder meeting, to be held around Sept. 5. But they said the approval would be more grudging than enthusiastic.

"I would think it will get through now, but only because the alternative doesn't look overly attractive," a metals analyst in Sydney said.

The new QNI will produce 60,000 metric tons of nickel in 1998 and continue to trade on the Australian bourse. It will have two main producing assets — QNI's Yabulu nickel refinery in Queensland state and Gencor's 98.9 percent-owned Cerro Matoso nickel mine and smelter complex in Colombia, each of which produce about 30,000 metric tons of nickel a year. It will also have stakes in two nickel deposits in Western Australia state, which are being contributed by Billiton.

QNI's chief financial officer, Christopher Foll, said the company would have the technology to process any type of ore body in the world.

"It also positions us in this window that we have before Voisey's Bay," he said. "We believe that Voisey's Bay will put pressure on nonefficient operators."

When it reaches full production early next century, Inco Ltd.'s Voisey's Bay project in northeastern Canada is expected to produce about 10 percent of world nickel supply at a net cost of about 90 cents a pound.

QNI shares closed Tuesday down 10 cents, at 2.40 dollars, as trading resumed following suspension last week. *(Reuters, Bloomberg)*

NTT Buys 35% of Sri Lanka Telecom

Reuters

COLOMBO — Nippon Telegraph & Telephone Corp. bought a 35 percent stake in state-owned Sri Lanka Telecom for $225 million on Tuesday, in the largest single foreign investment in the Indian Ocean island.

Under a strategic agreement between NTT and the Sri Lankan government, the Japanese company will gain management control of Sri Lanka Telecom.

The price was more than the government valuation, which indicated a floor price of $110 million and an open-market value of $149 million for a 35 percent stake. The government had valued Sri Lanka Telecom's entire equity at between a floor price of $315 million and a market value of $429 million.

Bre-X Geologist's Family Asks for New Inquest

The Associated Press

MANILA — Relatives of a Filipino geologist who died mysteriously in Indonesia said they wanted to re-examine his body because thumbprints supplied to Indonesian authorities did not seem to match the scientist's own prints.

Michael de Guzman, the former chief geologist for the Canadian mining company Bre-X Minerals Ltd., fell to his death from a helicopter March 19, shortly before a supposed discovery of a huge gold deposit in Borneo was shown to be a hoax.

His younger brother, Simplicio de Guzman, said Monday that the family was asking for a new test because old thumbprints of his brother appeared to be different from those sent to them by Indonesian authorities.

"They just don't match," the younger de Guzman said. "It doesn't take an expert to spot the difference." He said his brother's thumbprints on identification cards from former employers were different from those supplied to authorities by Bre-X.

He said the discrepancy had given the family "some hopes" that the geologist was still alive, but he said the family would accept the findings of a second test. Bayani Palad, the National Bureau of Investigation fingerprint expert who checked Mr. de Guzman's old prints, said officials were willing to check the body again.

China Predicts 10% GDP Growth

Reuters

BEIJING — China's economy is expected to grow 10 percent this year and 9.4 percent in the third quarter, compared with the third quarter of 1996, the Financial News said Tuesday.

Gross domestic product for 1997 is expected to reach 7.98 trillion yuan ($959 billion), it said, quoting the State Economic and Trade Commission. It predicted that China's retail-price inflation would be about 3.5 percent for the year and 1.5 percent in the third quarter.

Sales-Tax Rise Bedevils Japan's Growth Outlook

Reuters

TOKYO — The government said Tuesday that the economy was recovering, despite a temporary slowdown caused by an increase in the sales tax in April.

But it said the lingering effects of the increase, an unusually cool summer and fiscal tightening were making it difficult to predict a clear course for the economy.

The Economic Planning Agency's monthly report said the economy was continuing to recover but that the pace of the recovery was slowing temporarily.

Housing construction weakened in June after a sustained period of high levels, it said, and new-car sales in July fell 11.4 percent from a year earlier.

The agency also announced that household spending, a major barometer of private consumption, fell 4.7 percent in June from a year earlier, partly because of bad weather. Private economists said the economy was weaker than they had forecast it would be this year.

"Once negative effects of the sales-tax hike are out of the way," said Shimpei Nukaya, deputy minister of the Economic Planning Agency, "we can expect the economy to get back on a firm recovery track."

Mr. Nukaya said the agency expected the turnaround to start after September.

But another agency official admitted that the sales-tax increase had had an unexpectedly prolonged negative effect on consumption.

"We thought the negative impact would disappear in the April-June period, so we still need to see when such effects will vanish," he said.

Private economists say they do not expect the economy to shrink in the near future, but neither do they expect it to pick up speed.

The economy has been slowly recovering since late 1993, after the late-1980s collapse of the so-called bubble economy of inflated asset prices, but it has failed to gather momentum.

"The government view on the economy may be too optimistic," said Tetsuro Sawano, an economist at Nikko Research Center. "We cannot expect private consumption to recover to a level seen before the sales-tax increase."

The sales tax was raised to 5 percent from 3 percent April 1.

Nikko has forecast that gross domestic product will grow by 1.4 percent in the year ending in March 1998. The government has predicted 1.9 percent growth.

UPS: *Union Plays for High Stakes in Strike Over Use of Part-Timers*

Continued from Page 11

porate officials say, United Parcel needs thousands of people to sort packages and load trucks part-time from 4 A.M. to 8 A.M., not from 4 A.M. to noon.

"Over the last five years, part-time work has shifted from being an occasional strategy to being a way of life at UPS," said Harley Shaiken, a professor of industrial relations at the University of California at Berkeley. "That's why there is the anger right now. For UPS workers it represents, in effect, a hidden downsizing."

There are high stakes in this clash, and not just because the strike has created chaos for some retailers and catalogue companies. The showdown pits one of the most powerful U.S. unions against America's largest shipping company.

The dispute is also one of the rare times when a union has walked out to reverse a two-tier wage system — a practice that many unions regret having approved in the 1980s.

If management retains the right to create as many lower-paid part-time jobs as it wants, employers across America are likely to feel emboldened to rely on part-timers and other cost-cutting techniques that unions detest.

If the Teamsters limit the use of part-timers at United Parcel, they not only could encourage other unions to confront managements over part-timers but might also enable the labor movement to say a little louder that it is alive and kicking.

"This is a very important strike," said John Schmitt, an economist with the Economic Policy Institute, a liberal research group. "You have a company that is a textbook example of the new economy, a service-sector industry that's highly computerized, that's based on information, organization and smarts. If this kind of company cannot offer workers middle-class wages, if it pays $8.50 an hour instead of $20, that's a bad omen for the future."

The Teamsters desperately need to win the dispute. For the 1.4 million-member union, which has struggled for five years to shed its corrupt, autocratic image, fighting the use of part-timers has become nothing short of a crusade.

When the union polled United Parcel workers about the issues to focus on, the workers — three-fifths of whom are part-timers — not surprisingly told their bargainers to concentrate on turning more part-time jobs into full-time ones.

The union president, Ronald Carey, who is mired in a fund-raising scandal, has not hesitated to embrace the issue as a way of rallying his troops. For the union leader, a long-time United Parcel driver in New York, the dispute has also been an opportunity to show the world that this is a new Teamsters, a union that is willing to go toe to toe with employers rather than make backroom deals with them.

"UPS wants throwaway jobs that no one can live on," said Rand Wilson, a spokesman for the union. "It's time that somebody stood up to them and said: 'This is not the right direction for America. This is not the right direction for our communities and for working families.'"

The company says it sees the strike as a time to stand up and say there is nothing wrong with hiring part-timers. Indeed, United Parcel says using part-timers has been pivotal to its growth over the past four years, when it added the 46,000 workers.

The company, whose headquarters are in Atlanta, has relied heavily on part-time sorters for its fast-growing overnight air-delivery business. Executives say United Parcel has also needed an army of part-timers to enter information into computers so the company can offer customers the ability to track deliveries every step of the way.



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NASDAQ

Tuesday's 4 P.M.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press



NYSE

Tuesday's 4 P.M. Close

(Continued)

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4, rue J Monnet,2180 Lux,Fx 352-424949 298
d Latin America Eq Fd $ 75.16+
d North America Eq Fd $ 104.10+
d Asian Tigers Eq Fd $ 68.72+
d Europe Equity Fd $ 23.13+
d Japan Equity Fd $ 22.86+
d Germany Equity Fd DM 225.35+
d Global Bond Fd $ 84.39+
d Europe Bond Fd $ 64.94+
d US Bond Fund $ 42.18+
d Germany Bond Fd B DM 114.32+
d Spain Bond Fund Ptas 10806.00+
d Eastern Europe Eq Fd DM 271.25+
d China Equity Fd $ 92.47+
d Switzerland Equity Fd SF 187.22+
d Glob Em Markets Eq Fd $ 51.49+
d Netherlands Eq Fd Fl 101.81+
d Italy Equity Fund Lit 102971.00+
d Euro Bond Fund Ecu 50.05+
d Latin America Bond Fd $ 51.37+
d Italy Bond Fund Lit 100174.00+
d Netherlands Bond Fd Fl 99.93+

ABN AMRO INTEREST GROWTH FUND
d ABN AMRO Int Grth-BEF BEF 2624.00
d ABN AMRO Int Grth-DEM DEM 118.75
d ABN AMRO Int Grth-NLG NLG 129.40
d ABN AMRO Int Grth-USD $ 60.89
d ABN AMRO Int Grth-ITL ITL 100232.00

005 ABSOLUTE PERFORM T:31 20 677 6172
m Chorus International Ltd $ 119.27
m Vabyar Intl Ltd $ 103.78
m Pulsar (Hawn) Ltd $ 127.32

006 AEB WORLDFOLIO MUTUAL FUNDS
d $ Daily Income $ 1.00
d DM Daily Income DM 1.00
d $ Bond Income $ 20.93
d Non - $ Bonds $ 30.77
d Global Bonds $ 24.26
d Global Balanced $ 25.72
d Global Equities $ 29.73
d US Conservative Equities $ 20.40
d US Aggressive Equities $ 28.40
d European Equities $ 18.64
d Pacific Equities $ 14.10
d Natural Resources $ 8.80
d Asia Growth Co $ 18.47
d Emerg Market Deb $ 17.09

007 AIG ASSET MANAGEMENT Ltd
w AIG Amer. Eq. Trust $ 62.2826
w AIG Asia Emerg Mkts Fd $ 94.5893
w AIG Balanced World Fd $ 149.2748
w AIG Eu Mid East Af Em Mk $ 99.1618
w AIG Euro Small Co Fd Plc $ 206.4627
w AIG Japan Fund $ 48.0080
w AIG Japan Small Cos Fd $ 60.0000
w AIG Latin America Fd Plc $ 203.0770
w AIG Sthesst Asia Sm Cos $ 109.7616
w UBZ Euro-Optimizer Fund Ecu 17.11
w UBZ Liquidity Fund $ $ 132.8520
w UBZ Liquidity Fund DM DM 140.6339
w UBZ Liquidity Fund Ecu Ecu 144.4357
w UBZ Liquidity Fund SF SF 132.1607

008 ALBATROS PERFORMANCE FUND
m Albatros Perf Financial $ 16032.63
m Albatros Perf Index DEM DM 19064.09
m Albatros Performance USD $ 20873.74

009 ALFRED BERG (Tel : 46 8 723 58 00)
ALFRED BERG NORDEN
d Aktier $ 373.30
d Likviditet Sverige Sek 110.01
d Obligation Sverige Sek 119.23
ALFRED BERG SICAV
d Global $ 262.20
d Germany DM 420.11
d Switzerland SF 340.50
d Europe DM 479.50
d North America $ 216.61
d Far East $ 181.50
d Japan Y 10961.00

010 ALLIANCE CAPITAL MANAGEMENT
c/o Bank of Bermuda (352-4046460339)
w Alliance US Gr. Strgies A $ 15.85
w Alliance US Gr. Strgies B $ 15.62
w Alliance US Gr. Strgies I $ 257.49
w Alliance US Gr. Strgies N $ 252.65
c/o GOLDMAN SACHS (CAYMAN)T:8099496770
m ACM Research Fd - Class I $ 1091.45

011 ALPHA FUND MANAGEMENT, LTD
48 Par-La-Ville Rd, Hamilton, HM11 Bermuda
m Alpha Atlas Fd Ltd/Jun30 $ 114.64
m Alpha Atlas Fd-HYC Cl/Jun30 $ 160.46
m Alpha Atlas Fd-Tops/Jun30 $ 129.01
m Alpha Emg Mkts Debt/Jun30 $ 218.07
m Alpha Europe Fd (Jun30) Ecu 303.49
m Alpha Futures Fd (Jun30) $ 230.13
m Alpha Global Fd (Jun30) $ 1181.63
m Alpha Hdg Fd Cl A/Jun30 $ 601.48
m Alpha Hdg Fd Cl B/Jun30 $ 151.41
m Alpha Hdg Fd Cl C/Jun30 $ 152.77
m Alpha Latin Amer (Jun30) $ 539.03
m Alpha Pacific Fd (Jun30) $ 393.18
m Alpha SAM $ 150.49
m Alpha Short Fd (Jun30) $ 48.84
m Alpha Tilcole Fd (Jun30) $ 227.22
m BCA Alpha Internatl/Jun30 $ 119.30
m Buch-Ecu EurHdg Jun30 Ecu 232.62
m Consultapo Lat Am A(Jun30) $ 147.92
m Globalvest Value (May31) $ 227.65
m Hessel Japan Fund Y 9669
m India Performance Fd/Jun30 $ 113.93
m Latinvest Value (May31) $ 169.39
m Pacif RIM Opp BVI Jun30 $ 107.46
m Slond Pac Cap Offshr/Jun30 $ 179.34
m The Russia Fd (Jun30) $ 310.62

012 AMERICAN PHOENIX INVT PORTFOLIO
d Europe Multinational Pfd $ 26.66
d Global Multinational Pfd $ 25.43
d U.S. Growth Cos Ptfl $ 17.88
d U.S. Real Estate Sec Ptfl $ 15.95

014 ARNHOLD & S. BLEICHROEDER
C/o CITCO Tel: 011-5-999-322-222
r Aetos Corporation $ 11571.25E
r Aquila International Fund $ 804.11E
r DEF Associates N.V. $ 17784.49E
r Eagle Select Fund $ 1096.18E
r First Eagle Fund $ 108643.33E
r The Global Beverage Fd $ 134.97E

015 ASIA PACIFIC PERFORMANCE, SICAV
r APP $ 12.26

016 ATLAS CAPITAL MANAGEMENT LTD
w The Credit Spectrum Fd $ 1010.08
w Atlas Global Fd $ 1116.58+
w Atlas KITC Arbitrage Fd $ 1282.87+
w Convertible Arbitrage Fd $ 1141.89+
m Challenger Fd $ 1181.65
w The Discovery Fund $ 1093.35+
w The Second Atlas Arbitrage $ 1068.59+

017 BAII Tel: 44-171-734 3788
r Intermarket Fd Latest NAV $ 661.32
Interportfolio Fund
r Convertible Fd (FFr) FF 3348.47
r Convertible Fd (US$) $ 775.34
r Comfort Fund (US$) $ 540.83

018 BANK BRUSSELS LAMBERT (32-2) 547 2037
d BBL Invest America Cap $ 826.52
d BBL Invest Belgium Cap BF 25640.00
d BBL Invest Japan Cap Y 33070.00
d BBL Invest Latin Amer Cap $ 738.32
d BBL Invest HK & China Cap $ 352.75
d BBL Invest Asian Grth Cap $ 367.57
d BBL Invest UK Cap £ 397.29
d BBL (L) Inv Goldmines Cap $ 101.08
d BBL (L) Invest Europe Cap LF 25790.00
d BBL (L) Invest World Cap LF 6240.00
d BBL (L) Inv Base Mat Cap $ 566.45
d BBL (L) Inv Telecom & Medi $ 620.19
d BBL (F) Invest France Cap FF 625.02
d BBL Renta Fd Intl Cap LF 5129.00
d BBL Patrimonial Bal Cap BF 30450.00
d BBL R C Sh-Medium Cap BF 154070.00
d BBL & MC Fund Convertibles DM 5892.49

019 BANQUE BELGE ASSET MGMT FUND
Sterre Distributor Guernsey 441481 726614
w Intl Equity Fund $ 13.42
w Intl Bond Fund $ 15.94
w Dollar Zone Bd Fd $ 13.00
w Asia Pacific Region Fd $ 11.65
w India Fund $ 6.87
w Sterling Equity Fd £ 1.439
w Sterling Bd Fd £ 1.899

281 BANQUE EDOUARD CONSTANT
w BEC Div Fd Intelbond SF 94.51
w BEC Div Fd Intelsec SF 281.82
w BEC Swissfund SF 304.23

BANQUE FRANCAISE DE L'ORIENT
m BFO Sicav-Global Strategies $ 1046.38

020 BANQUE INDOSUEZ
w The Dragon Fund $ 95.07
m Maxima Fut Fd Ser 1 Cl A $ 131.405
m Maxima Fut Fd Ser 1 Cl E $ 111.092
m Maxima Fut Fd Ser 2 Cl C $ 126.057
d Indosuez Curr. Cl A Units $ 124.359
w Gartmore Japan Warrant $ 0.352
w Indosuez High Yld Bd A $ 107.57
w Indosuez High Yld Bd B $ 18.23
w Maxi Espana Ptas 184456.00
w Indosuez Latin America $ 10.63
w Indosuez Multimedia Fd $ 19.91
w Indosuez Eur Sml Co Fd DM 15.42
INDOSUEZ ASSET MGT ASIA
d Indosuez Asian Ptfl-Philip A $ 21.92
d Indosuez Asian Ptfl-Philip B $ 23.01
d ISA Asian Growth Fund $ 97.15
d ISA Japan Reg. Growth Fd $ 755.00
d ISA Pacific Gold Fund $ 13.40
d ISA Asian Income Fund $ 12.35
d Indosuez Korea Fund $ 8.09
d Shanghai Fund $ 16.93
d Himalayan Fund $ 16.05
w Manila Fund $ 22.812
w Malacca Fund $ 22.132
w The Siam Fund $ 28.19
d Indosuez Hong Kong Fund $ 86.5952
d Indosuez Sing & Malay Tst $ 42.8952
d Indosuez Pacific Tst HK$ 41.4952
d Indosuez Japan Fd $ 13.6952
d Indosuez Managed Tst $ 39.7852
d Indosuez Asian Ptf-Indon A $ 19.99
d Indosuez Asian Ptf-Indon B $ 20.16

021 BANQUE SCS ALLIANCE
(4122) 839-4580, Geneva
w Pleiade North Am Equities $ 178.88
w Pleiade Europe Equities Ecu 223.41
w Pleiade Asia Pacific Eq $ 120.73
w Pleiade Environment Eq $ 110.88
w Pleiade Dollar Bonds $ 116.99
w Pleiade ECU Bonds Ecu 140.46
w Pleiade FF Bonds FF 127.88
w Pleiade Intl Conv Bonds SF 108.49
w Pleiade Dollar Reserve $ 117.37
w Pleiade ECU Reserve Ecu 114.77
w Pleiade SF Reserve SF 108.47
w Pleiade FF Reserve FF 126.30

198 BARCLAYS GLOBAL INVESTORS HK
42/F Citibank Tower,Citib PL3Garden Rd/HK
Tel - (852) 29032121
d China (PRC)(04/08) $ 17.6452
d Hong Kong (04/08) $ 89.7252
d Indonesia (04/08) $ 15.6622
d Japan (04/08) $ 6.6512
d Korea (01/08) $ 6.8422
d Malaysia (04/08) $ 25.3532
d Philippines (04/08) $ 20.7092
d Singapore (04/08) $ 21.7442
d Thailand (04/08) $ 17.4822
d Asean Fund (04/08) $ 7.5292
d South East Asia (04/08) $ 40.2432

022 BARING INTL FD MANGRS (IRELAND) LTD (SIB RECOGNIZED) IFAX 82503
d Baring Emerg World Fund $ 0.9642
d Baring Global Resources $ 14.082
d High Yield Bond $ 13.552
d Japan Smaller Cos Fund $ 8.852
d Baring Eastern Europe Fd $ 16.472
d World Bond FFR FF 86.812

023 BARING INTL FD MNGRS (IRELAND) LTD (NON SIB RECOGNIZED) IFAX 82503
d Australia $ 34.48*
d Japan Fund $ 22.54z
d Malaysia & Singapore $ 55.14z
d North America $ 48.01*
d Octopus Fund $ 128.17z
d Pacific Fund $ 20.56*
d International Bond $ 28.64*
d Europa Fund $ 218.34*
d Hong Kong $ 58.80z
d Trinity Warrant $ 14.45z
d Global Emerging Mkts $ 19.71z
d Latin America $ 18.88z
d US Dollar Currency Fund $ 57.18z
d Currency Fund Managed $ 6.272
d Korea Feeder Fund $ 1.1662
d Europa Select Feeder Fund

024 BEACON GLOBAL ADVISORS LTD
m Gemini Cays Ltd $ 4967.21
m Compass Series N. Ltd $ 10617.34
m Compass Series E. Ltd $ 7639.31
m Compass Series S. Ltd $ 8232.86
m Compass Series W. Ltd $ 6844.38

201 BEC UNIVERSAL FUND
d Global Eq USD A (Div) $ 27.0852
d Global Eq USD B (Cap) $ 28.8009
d Global Bonds USD A (Div) $ 16.8241
d Global Bonds USD B (Cap) $ 24.7121
d Global Bonds FRF A (Div) FF 138.3688
d Global Bonds FRF B (Cap) FF 212.2903
d Europe ECU A (Div) Ecu 244.8524
d Europe ECU B (Cap) Ecu 257.5563
d Far East USD A (Div) $ 26.6254
d Far East USD B (Cap) $ 27.0242
d Japan JPY A (Div) Y 977.6065
d Japan JPY B (Cap) Y 977.6055
d Francs FRF B (Cap) FF 156.2649
d Latin Am USD A (Div) $ 24.5126
d Latin Am USD B (Cap) $ 24.5126
d Nordic Eq Sek B (Cap) Sek 174.0317

025 BELINVEST FUNDS
w Belinvest Brazil Select Fd $ 135.47+
w Belinvest Equities Fd $ 1060.61
w Belinvest Realty Fund Plc $ 112.11z
w Belinvest-Multibond $ 1598.80

027 BOWEN CAPITAL MGT
w Stewart Asia Fund $ 17.5750
w Zipangu Fund $ 8.5759

031 CALLANDER Tel:0033-1-53674594
Fax:53674599
w Callander F-Asset $ 241.76
w Callander F-Austrian AS 1582.98
w Callander F-Eastern Europe DM 104.42
w Callander F-Growth Opp $ 190.84
w Callander F-Spanish Ptas 13880.00
w Callander F-Swiss Growth SF 207.46
w Callander F-US Health Care $ 65.45

032 CAPITAL INTERNATIONAL
w Capital Intl Fund $ 218.06
w Capital Italia SA $ 59.29

033 CAPITAL INVESTMENT GROUP PLC
w Capital Growth Fund $ 10.21

034 CDC INTERNATIONAL
w CEP Court Terme FF 203067.72

035 CHEMICAL IRELAND FD AGM LTD
353-1 66 12 433
m AHL Diversified Plc $ 16.25

205 CHILTON
c/o Citco Fund Services (Curacao) N.V
Tel (599-9) 32 2222
b Chilton Intl (BVI) Ltd Cl A $ 19205.02E
b Chilton Intl (BVI) Ltd Cl B $ 19055.01E
b Chilton Natural Res (BVI) $ 11628.50

036 CITIBANK (LUXEMBOURG) S.A.
POB 1373 Luxembourg Tel. (352) 45141-1
d Citinvest Global Bond $ 122.30
d Citinvest FOP USD $ 1483.40
d Citinvest FOP ECU Ecu 1640.69
d Citinvest FOP ESP Ptas 12002.00
d Citinvest Selector $ 1856.03
d Citicurrencies USD $ 1908.91
d Citicurrencies DEM DM 158.80
d Citicurrencies GBP £ 192.98
d Citiport N.A. Equity $ 449.18
d Citiport Cont. Euro Equity Ecu 326.02
d Citiport UK Equity £ 191.93
d Citiport French Equity FF 2065.61
d Citiport German Equity DM 197.16
d Citiport Japan Equity Y 44020.00
d Citiport IAPEC $ 334.01
d Citiport Eamec $ 139.02
d Citiport N.A. $ Bond $ 192.69
d Citiport Euro Bond Ecu 194.68
d Citiport Jap Sm Cap Y 7715.00
d Citiport Italian Equity Lit 139987.00
d Citiport US Opp Bond $ 104.51
d Citiport US Eq Gro $ 133.10
d Citiport US Sm Cap $ 98.98
d Citiport II ST Bond Lit 105257.00
d Citiport It Li Bd ITL 109952.00
m CL Asian Income Fund $ 104.53
d CL MGD Currency Fund $ 182.28
d India Focus Fund $ 766.47
d Money Manager I $ 11.17
d Money Manager II $ 11.21
d Citiselect Ptfl Balanced Fd $ 11.92
d Citiselect Ptfl Growth Fd $ 12.06
d Citiselect Ptfl Enhanced Grth $ 11.96

038 CITIBANK GLOBAL ASSET MGT (ASIA) Ltd
Tel 00 852 2868 6286 Fax 00 852 2523 1379
d CIF (Cayman) Asia Eq $ 9.48
d CIF (Cayman) H.K. Eq $ 16.08

039 CITITRUST
m Chiperformance Ptfl S.A. $ 22.085

040 COMGEST (33-1) 44 79 75 10
m C.F.E Onyx Fund $ 16.3508
m C.F.E. Latina Fund $ 12.0087
w Comgest Asia $ 1511.61
w Comgest Europe SF 2751.67
w Panda Sicav $ 1017.08

041 CONZETT HOLDINGS LTD
Internet site: www.conzett.com
w Contravest Limited SF 1924.21
w Conzett Europa Invest Ltd SF 1765.21
w Conzett Forex Fund Ltd SF 2286.89
w Emerg Mkts Quant Fd Ltd DM 1200.54
w Equilibrium Fund Ltd DM 1190.07
w Sunflower Trading Fd Ltd DM 1885.82

042 COWEN ASSET MANAGEMENT
Cowen Enterprise Fund N.V.
w Class A Shs $ 1074.03
w Class B Shs $ 2053.77

043 CREDIS INVESTMENT FUNDS
Tel +41 1 333 8500 Fax -41 1 221 3425
d CS Portf Fix Inc (DM) A DM 1042.40
d CS Portf Fix Inc (DM) B DM 1176.10
d CS Portf Fix Inc (SFR) A SF 1027.80
d CS Portf Fix Inc (SFR) B SF 1082.20
d CS Portf Fix Inc (US$) A $ 1026.10
d CS Portf Fix Inc (US$) B $ 1102.10
d CS Portf Inc DM A DM 1184.10
d CS Portf Inc DM B DM 1285.10
d CS Portf Inc (Lire) A Lit 1163010.00
d CS Portf Inc (Lire) B Lit 1317900.00
d CS Portf Inc SFR A SF 1133.90
d CS Portf Inc SFR B SF 1287.10
d CS Portf Inc US$ A $ 1060.30
d CS Portf Inc US$ B $ 1257.30
d CS Portf Bal DM DM 1466.30
d CS Portf Bal SFR SF 1373.50
d CS Portf Bal US$ $ 1392.80
d CS Portf Focus SFR A/B SF 1104.30
d CS Portf Growth DM DM 1597.30
d CS Portf Growth SFR SF 1583.50
d CS Portf Growth US$ $ 1327.50
d Credis Money Mkt Fd BEF BF 63774.00
d Credis Money Mkt Fd C$ C$ 1518.68
d Credis Money Mkt Fd DM DM 1972.88
d Credis Money Mkt Fd Ecu Ecu 1612.82
d Credis Money Mkt Fd FF FF 7112.79
d Credis Money Mkt Fd HFl Fl 1339.55
d Credis Money Mkt Fd Lit Lit 1555340.00
d Credis Money Mkt Fd Pta Ptas 157632.00
d Credis Money Mkt Fd SF SF 631.59
d Credis Money Mkt Fd Yen Y 147274.00
d Credis Money Mkt Fd £ £ 2098.75
d Credis Money Mkt Fd $ $ 2864.92
d Credis Eq Fd Emerg Mkts $ 1351.09
d Credis Eq Fd Eur Blue Ch A DM 480.72
d Credis Eq Fd Eur Blue Ch B DM 516.49
d Credis Eq Fd France A FF 1447.64
d Credis Eq Fd France B FF 1638.29
d Credis Eq Fd Germany A DM 460.04
d Credis Eq Fd Germany B DM 514.63
d Credis Eq Fd Gold Mines A $ 180.94
d Credis Eq Fd Gold Mines B $ 203.63
d Credis Eq Fd Hisp Iber A Ptas 52340.00
d Credis Eq Fd Hisp Iber B Ptas 59529.00
d Credis Eq Fd Italy A Lit 340699.00
d Credis Eq Fd Italy B Lit 361183.00
d Credis Eq Fd Jap Megat SF SF 239.77
d Credis Eq Fd Jap Megat Y 22570.00
d Credis Eq Fd Lat Amer $ 1231.00
d Credis Eq Fd Netherlds A Fl 1052.98
d Credis Eq Fd Netherlds B Fl 1123.56
d Credis Eq Fd Nth-Amer A $ 415.98
d Credis Eq Fd Nth-Amer B $ 487.82
d Credis Eq Fd Oeko-Protec A DM 285.97
d Credis Eq Fd Oeko-Protec B DM 315.50
d Credis Eq Fd Small Cap Eur DM 1929.06
d Credis Eq Fd Small Cap Ger DM 1224.09
d Credis Eq Fd Small Cap Jap Y 58526.00
d Credis Eq Fd Sm Cap USA $ 2126.87
d Credis Eq Fd UK A £ 148.69
d Credis Eq Fd UK B £ 169.51
d Credis Eq Fd Trust India $ 1384.45
d Credis Korea Fund $ 492.46
d Credis Smll - Mid Cap Switzd SF 343.45
d Credit Suisse Fds Intl SF 207.86
d CS Gold Valor $ 99.03
d CS Tiger Fund $ 1296.82
d Energie - Valor SF 249.16
d Europa Valor SF 312.56
d Pacific - Valor SF 232.56
d Schweizerakien SF 1601.88
d SVB Pharma Fund
d CS Bond Fd Dynamic DM DM 137.76
d CS Bond Fd Dynamic SFR SF 129.50
d CS Bond Fd Dynamic US$ $ 148.05
d CS Bond Fd Dynamic Yen Y 11877.00
d CS Bond Fd Dynamic £ £ 109.95
d CS Bond Fd Convertibles SFR SF 198.27
d CS Bond Fd Convertibles US$ $ 212.44
d Credis Bond Fd Auss A A$ 1224.61
d Credis Bond Fd Auss B A$ 1714.17
d Credis Bond Fd Cans A C$ 1190.93
d Credis Bond Fd Cans B C$ 1628.14
d Credis Bond Fd DM A DM 1222.42
d Credis Bond Fd DM B DM 1792.45
d Credis Bond Fd Ecu A Ecu 1110.44
d Credis Bond Fd Ecu B Ecu 1235.41
d Credis Bond Fd Em Mkts $ 1479.57
d Credis Bond Fd Europa A DM 246.45
d Credis Bond Fd Europa B DM 463.50
d Credis Bond Fd FF A FF 928.87
d Credis Bond Fd FF B FF 1392.55
d Credis Bond Fd Gulden A Fl 106.77
d Credis Bond Fd Gulden B Fl 196.47
d Credis Bond Fd Lire A Lit 279154.00
d Credis Bond Fd Lire B Lit 343141.00
d Credis Bond Fd Pesetas A Ptas 23025.00
d Credis Bond Fd Pesetas B Ptas 27360.00
d Credis Bond Fd Prime Corr A SF 89.83
d Credis Bond Fd Prime Corr B SF 157.33
d Credis Bond Fd Short-T. DM A DM 106.09
d Credis Bond Fd Short-T. DM B DM 186.70
d Credis Bond Fd Short-T SFR A/B SF 102.46
d Credis Bond Fd Short-T. $ A $ 103.14
d Credis Bond Fd Short-T. $ B $ 189.47
d Credis Bond Fd SF A SF 289.22
d Credis Bond Fd SF B SF 348.45
d Credis Bond Fd US$ A $ 1067.84
d Credis Bond Fd US$ B $ 1620.60
d Credis Bond Fd Yen A Y 112976.00
d Credis Bond Fd Yen B Y 131568.00
d Credis Bond Fd £ A £ 594.09
d Credis Bond Fd £ B £ 962.47
d CS Capital DM 2000 DM 1418.18
d CS Capital Ecu 2000 Ecu 1829.33
d CS Capital FF 2000 FF 1740.80
d CS Capital SFR 2000 SF 1842.16
d CS Bd Fd Convertibles £ £ 104.86
d CS Bd Fd Global £ 113.21
d CS Eurorent DM 108.52

044 CREDIT COMMERCIAL DE FRANCE
m Elysees Monetaire FF 17253.31
d Sam Acticash USD B $ 1294.74

045 CREDIT LYONNAIS ROUSE (Bermuda) Ltd
m Systemtrend Ltd $ 15.388
CLR SELECT 30-06-97 (LUX REG)
m Div US$ Ord $ 9.82
m Div DM Ord DM 19.30
m Div FFr Ord FF 50.69
m Div A$ Ord A$ 8.82
m Div US Gtd May 99 $ 11.39
m Div A$ Gtd Jan 2000 A$ 12.94
THE VOLATILITY FUND 30-06-97 (LUX REG)
m The Volatility Fd US$ $ 7.69

046 CURSITOR FUND
w Cursitor East Asian Eq $ 93.11
w Cursitor Glbl Bd Opport $ 124.40
w Cursitor Glbl Grth Sub-Fd $ 121.55

047 DARIER HENTSCH GROUP
Tel 41-22 708 68 68
d Hentsch Treasury Fd SF 10074.10
d DH Major Markets Fund SF 14810.36
d DH Mandarin Portfolio SF 172.076
d DH Swiss (Ex. SMI) SF 1329.65
d DH Taiyan Fund SF 94.908
d Samurai Portfolio SF 295.047
d DH Cyber Fund $ 108.527

048 DELTEC PANAMERICA TRUST CO. LTD
m Deltec Latin American Fd $ 33.41
m Deltec Worldwide Inc Fd $ 13.46
m Deltec High Yield Fd $ 11588.27

049 DISCOUNT BANK GROUP
w Scont Bd Mlti Hgd Dollar $ 1798.74
w Scont Bd Multi Hgd CHF SF 1907.70
w Scont Bd Multi Hgd FRF FF 5634.65
w Scont Bd Multi Hgd DEM DM 1090.31
w Scont Bd M H Short T USD $ 1127.64
w Scont Bd M H Short T FRF FF 6500.32
w Scont Bd M H Short T DEM DM 1032.97
w Scont Bd Multi CHF CHF 1047.15
w Scont Bd Multi USD $ 1069.45
w Scont Equity Euroval Ecu 146.43
w Scont Eq N. America $ 282.85
w Scont Eq French FF FF 133.67
w Scont Eq Japan Y 794.48
w Scont Eq Technology $ 1434.69
w Scont Em Mkts Pacific $ 1326.16
w Scont Middle East Isroval $ 1425.62

050 DISCOVER INVESTMENTS
w Discover Asia $ 8.95
w Discover Europe $ 12.72

051 DOSSIER DE GESTION COLLECTIVE
w Global $ 413.47
w America $ 144.85
w Europe SF 173.47

052 DRESDNER BANK INVESTMENT GROUP
DIT DT INVESTMENT-TRUST, FFM
PO Box 110443,D60039 Frankfurt,Fax26314366
d Concentra + DM 98.39+
d Intl Rentenfond + DM 81.15+
DRESDNER KLEINWORT BENSON INTL MANAGEMENT SERVICES LTD
La Touche House - IFSC - Dublin 1
DSB Thornton Lat Am Sel Fd
d Conquistador Fund $ 11.32

053 DUBIN & SWIECA
Tel : (809) 945 1400 Fax : (809) 945 1488
r Highbridge Capital Corp. $ 19923.81
r Overlook Performance $ 2908.57

054 EBC FUND MANAGERS (Jersey) LTD
1-3 Seale St, St Helier : 44 1534-36331
EBC TRADED CURRENCY FUND LTD
d Capital SF 39.2120
d Income SF 24.8950
INTERNATIONAL INCOME FUND
d Long Term $ 34.7449
d Long Term - DMK DM 120.0395

055 ED & F MAN INVESTMENT PRODUCTS
(41) 4005 1814, Internet: http://www.maniip.ch
m Mint Limited - Ordinary $ 45.85
m Mint Limited - Income $ 17.71
m Mint Gtd Ltd - Spec Issue $ 24.35
m Mint Gtd Currencies $ 8.18
m Mint Gtd Currencies 2001 $ 8.00
m Mint G.GL. Fin 2003 $ 7.19
m Mint Plus Gtd 2003 $ 10.03
m Mint Plus Gtd Bond $ 106.98
m Athena Gtd Futures $ 23.07
m Athena Gtd Currencies $ 9.78
m Athena Gtd Financials Cap $ 22.85
m Athena Gtd Financials Inc $ 18.01
m AHL Alpha Plc $ 16.38
m AHL Capital Mkts Fd $ 25.33
m AHL Commodity Fund $ 12.26
m AHL Currency Fund $ 14.28
m AHL Div Gtd Ltd $ 143.17
m AHL Div Gtd II Ltd $ 12.37
m AHL Div Plc $ 16.25
m AHL P3 Ltd
m AHL Gtd Real Time Trd $ 12.79
m AHL Gtd Cap Mark Ltd $ 18.97
m AHL Gtd Commodities Ltd $ 12.31
m MAP Guaranteed 2000 $ 10.65
m MAP Gtd 2001 $ 10.14
m MAN-Glenwood M.S. $ 134.18
m MAN-IP 220 Limited US$ $ 10.45
m MAN IP 220 B2 Ltd $ 10.27

056 ERMITAGE LUX (352-4073 38)
http://www.Ermitage.lu
w Ermitage Asian Mngers $ 9.95
w Ermitage Sect Fund $ 93.16
w Ermitage Emer Mkts Fd $ 26.11
w Ermitage UK Value Fd £ 16.08
w Ermitage Odey Fund DM 15.25
w Ermitage Glbl Mining Intl $ 9.14

057 EUROPA FUNDS LIMITED
d American Equity Fund $ 561.39
d American Option Fund $ 500.25
d Asian Equity Fd $ 143.99
d European Equity Fd $ 228.91

058 EUROPEAN FINANCIAL GROUP EFG
PROTON FUND
w Proton US$ Cash Fd $ 6209.82
w Proton Ecu Cash Fd Ecu 7139.05
w Proton Swiss Franc Cash SF 5276.87
w Proton GBP Cash Fund £ 1006.46
w Proton Intl. Bond Fd-US$ $ 6593.90
w Proton Intl. Bond Fd-Ecu Ecu 8657.59
PROTON INTERNATIONAL B.V.L INC
w Proton N American Eq Fd $ 9229.45
w Proton European Eq Fd Ecu 11312.10
w Proton Asian Eq Fd $ 1519.56
w Proton US Small Cap Fd $ 1521.43
w Proton Japan Fd $ 772.17
w Proton Emerging Eq Fd $ 1047.59
w Proton Global Fd $ 109.66
w Global Opportunities Fund $ 109.68
w Proton Evergreen Stock $ 107.73
w Proton Fixed Inc FF 13316.42
w Proton Multi-Cy Bd Fd FF 11258.49

059 EVEREST CAPITAL (Tel:+1-441-292-2200)
m Everest Capital Frontier Ltd $ 30.3307
m Everest Capital Intl Ltd $ 238.45

060 FAIRFIELD GREENWICH GROUP
m Advanced Strategies Ltd $ 221.5710
m Fairfield Intl Ltd $ 257.80
m Fairfield Sentry Ltd A $ 485.90
m Fairfield Sentry Ltd L $ 102.8249
m Fairfield Sentry Ltd S $ 102.0846
m Greenwich Intl Ltd $ 649.56
m Mcintyre Investors Ltd $ 102.45
m Sentry Select Ltd $ 707.8394

061 FAIRWAY INTERNATIONAL LTD
r Stratford Fund DM 2009.54
r Stratford Asia Fund $ 1089.54
r Stratford Opportunity Fd $ 1060.02
r Stratford Commodity Fd $ 1053.54

062 FERRIER LULLIN GROUP
w FL Trust Asia $ 229.43
w FL Trust Switzerland SF 260.15

063 FIDELITY INVESTMENT
Tel - 00 352 250 404 2 50
d New Europe Fund $ 25.73
d Wang Fund $ 147.61
d Far East Fund $ 70.41
d Orient Fund $ 111.10
d Global Selection Fund $ 20.50
d Special Growth Fund $ 38.07

064 FINANSA GROUP (Fax 66 2 266-6688)
(Internet E-Mail:mailbox@finansa.com)
m The SE Asia Frontier Fund $ 4.74
m The Vietnam Frontier Fund $ 10.61

066 FLEMING FUND MANAGEMENT LUXEMBOURG (Tel : 352 34 101)
THE OASIS FUND SICAV
w International Equity Fund $ 11.8724

068 FOKUS BANK A.S. (Phone : 47-728 82 811)
w Fokus Intl Growth Fd $ 1.19

069 FOREIGN & COLONIAL EMERG MKTS LTD
Tel London 171 628 1234
d Argentinian Invest Co Sicav $ 28.19
d Brazilian Invest Co Sicav $ 59.52
d Colombian Invest Co Sicav $ 12.78
d Indian Invest Co Sicav $ 7.65
d Latin Amer Extra Yield Fd $ 10.5701
d Latin American Invest Co $ 14.58
d Mexican Invest Co Sicav $ 33.45
w Peruvian Invest Co Sicav $ 20.50
d Polish Invest Co Sicav $ 11.98
d Taiwan Invt Co $ 19.10
d Glbl Em Mkts Inv Co Sicav $ 12.95
w Russian Investment Co $ 22.25

070 FORMULA GROUP
d Formula Fund NV $ 115.05

188 FRIEDBERG MULTI-SECTOR FUNDS
Tel: (416) 364-1171/Fax: (416) 364-0572
w Friedberg Currency $ 785.27
w Friedberg Fixed Income $ 1022.03
w Friedberg Equity Hedge $ 1016.32
w Friedberg New Zealand $ 1132.47
w Friedberg Global Opp Fd Ltd $ 1182.39

071 FUND MARKETING GROUP (BIO)
P.O. Box 2001, Hamilton, Bermuda
m FMG Global (30Jun) $ 20.19
m FMG N. Amer (30Jun) $ 15.10
m FMG Europe (30Jun) DM 25.56
m FMG EMG MKT (30Jun) $ 17.88
m FMG O (30Jun) $ 18.93
m FMG Fixed (30Jun) $ 12.15
m Global Quad Growth Fd $ 69.69
m The Russian Federal (30Jun) $ 35.58

072 FURMAN SELZ FINANCIAL SERVICES
Tel+353 1 679 7924 Fax+353 1 679 7928
w Canary II Fd Ltd $ 1203.91771E
w Justinian Corp $ 1442.29E
w Acacia USA Fund $ 126.33E
w Acacia USA Growth Fund $ 131.85E
w Crestwood Cap Intl Ltd $ 20302.30E
w Libra Investments A Ltd $ 1342.73E
w Saugatuck Intl Ltd $ 14118.82E
w Intergold Fund Ltd $ 931.43
w The Peters Group Intl Ltd $ 1748.73548E

073 GAIA CURRENCY FUNDS IFAX 82505
Tel 353 1 676 2186/Fax 353 1 676 0570
w Gaia Hedge II $ 187.58
c GAIA Fx $ 193.52
m Gaia Guaranteed Cl. II $ 97.92

074 GEFINOR FUNDS
Geneva Tel 41-22 7355530 Fax 41-22 7860105
r Gefinor S.A. $ 14.25
w Scottish World Fund $ 677.0473

075 GENESEE FUND Ltd
w (A) Genesee Eagle $ 241.58

076 GLOBAL ASSET MANAGEMENT
IFAX: U.S. 82500, UK/Gern 82501,else 82502
INTERNET SITE http://www.ukinfo.gam.com
OFFSHORE FUNDS
11 Athol St,Douglas,I of Man 441624-626037
w GAM £ Special Bond £ 166.49
w GAM Allanmhar Fd
w GAM Arbitrage $ 566.74
w GAM ASIAN $ 451.81
w GAM Asian Dev Mkts $ 118.14
w GAM Australia $ 291.94
w GAM Bond $ $ 195.44
w GAM Bond DM DM 147.84
w GAM Bond SF SF 120.69
w GAM Bond US$ Ord $ 164.93
w GAM Bond US$ Special $ 231.00
w GAM Brasilia $ 187.38
w GAM Capital Appreciation Inc $ 123.17
w GAM CGFF Inc $ 111.01
w GAM Cross-Market $ 160.80
w GAM Diversity $ 276.80
w GAM Dollar and International $ 109.20
w GAM East Asia $ 722.04
w GAM Emerg Mkts Mlti-Fd $ 257.01
w GAM Franc-val SF 360.40
w GAM France FF 2537.49
w GAM GAMCO $ 405.23
w GAM High Yield $ 217.03
w GAM Hong Kong $ 134.58
w GAM Interest Trend Fd Inc $ 157.45
w GAM Japan $ 1150.00
w GAM Leveraged Inc $ 101.84
w GAM Mlti-Europe DM DM 216.21
w GAM Mlti-Europe US$ $ 206.76

[remaining listings in columns 3–7 (GAM continued, James River Capital, Jardine Fleming, Julius Baer, Jysk Invest, Key Asset Management, Lehman Brothers, Liberal B.A.S., Lippo, Lloyd George, Lloyds Bank, Lombard Odier, M.D. Sass, Magnum, Malabar, Manulife, Matthews, Maverick, MeesPierson, Merrill Lynch, Millennium, Momentum, Multimanager, NAM Forex, Nicholas-Applegate, Nomura, North Star, Old Mutual, Olympia, Oppenheimer, Optigestion, Optima, Orbis, Orbitex, Pactual, Para, Paribas/Parvest, Permal, Perpetual, Pictet, Premier, Primeo, Putnam, Quantum, Regent, Reig, Republic, Richcourt, Robeco, Rothschild, Safdie, Santander, Skandinaviska Enskilda, Societe Generale, Soditic, Sofa, Sofaer, SR Global, Staines, Swiss Bank Corp., Tail Wind, Templeton, The Environment, The Sailor's Fund, The Wanger, The Wimbledon, Thema, Thornton, Titan, Trans Global, Tweedy Browne, UBS, Uberseebank, Union Bancaire (UBAM), Unico, US Global, Willerfunds, Worldfolio, WP Stewart, WPS, 999 Other Funds) — [illegible] at scan resolution]

999 Other Funds

AS - Australian Dollars; AS - Austrian Schillings; BF - Belgian Francs; CS - Canadian Dollars; DM - Deutsche Marks; Dkk -Danish Kroner; Do - US Dollars; ECU - European Currency Unit; FF - French Francs; FM - Finish Mark; FL - Dutch sFlorin; IDR - Indonesian Rupiah; Lit - Italian lira; LF - Luxembourg Francs; p-pence; MYR - Malaysian Ringgit; Ptas - Pesetas; SG$ - Singapore Dollars; SF - Swiss Francs; Sek - Swedish Kronar; THB - Thai Baht; Y - Yen;

a - asked + - Offer Prices; N.A. - Not Available; N.C. - Not Communicated; o- New; S - suspended; S/S - stock Split; * - Ex-Dividend; ** - Ex-Rts; - @ Offer Price Incl. 3% prelim. charge; ' - Paris exchange; ++ -Amsterdam exchange; ● - misquoted earlier; x-not registered with regulatory authority. P: Middle of bid and offered price. E: estimated price; y: price calculated 2 days prior to publication; z: bid price.

The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (f) - fortnightly; (r) - regularly; (t) - twice weekly; (m) - monthly.

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NOKIA 9000

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WORLD ROUNDUP

Paying for a Crash

FOOTBALL Seattle running back Lamar Smith has agreed to pay a former teammate, Mike Frier, $4 million to settle a civil lawsuit arising from a December 1994 car accident that left Frier paralyzed from the waist down.

The payment, to be made over seven years, will come from 50 percent of Smith's signing bonuses and 35 percent of his income as a football player, said Smith's lawyer, Allen Ressler. *(AP)*

Puerto Rico Beats U.S.

BASKETBALL Guard Edgar Padilla led Puerto Rico to a 74-69 victory over the United States on Tuesday in the world under-23 championships in Melbourne.

It was the first loss by a U.S team in the competition. The Americans won the only previous under-23 championship, which was held in Spain in 1993, with an 8-0 record.

Shariff Fajardo was the top scorer with 21 points, but it was Padilla who led the way down the stretch, giving Puerto Rico a 4-0 record and dropping the United States to 3-1.

The United States led 59-52 with nine minutes remaining before Puerto Rico went on an 11-0 surge. After the Americans pulled to 64-62, Padilla nailed two 3-pointers and added two free throws. *(AP)*

French Women Advance

TENNIS Sandrine Testud led a French charge into the second round of the Acura Classic tennis tournament Monday with a straight-sets victory over Chanda Rubin of the United States.

Testud banged out a 6-4, 6-2 victory in 65 minutes over an error-prone Rubin to join compatriots Nathalie Tauziat and Anne-Gaelle Sidot in the second round of the hard-court event.

Serena Williams, the 15-year-old sister of Venus Williams, fell 7-6 (8-6), 4-6, 6-3 to Magui Serna of Spain.

• Richard Krajícek of the Netherlands beat Cedric Pioline of France 6-3, 6-4 in the first round of the ATP Championship in Mason, Ohio. Marcelo Rios of Chile also advanced, beating Jonas Bjorkman of Sweden 6-3, 7-5. Top-ranked Pete Sampras begins play Wednesday. *(AP, Reuters)*



Mark Lyons/The Associated Press

Richard Krajicek stretching to volley against Cedric Pioline.

Even Below His Best, Johnson Is Still Best

American Holds 400-Meter Title; Cuban Retains Long Jump Crown

By Ian Thomsen
International Herald Tribune

ATHENS — In a way the clock validated this victory as much as it did his world-rattling-record of 19.32 seconds in the Olympic 200 meters last summer.

This time the clock was frozen at 44.12 seconds, an indecently large number for a 400-meters perfectionist like Michael Johnson. He was clearly not quite himself. Therefore he seemed more a champion than ever.

His victory in the 400 meters Tuesday provided the 29-year-old Johnson with his seventh world championship gold medal, and surely the most uneasy one he owns.

When he completed the unprecedented Olympic double last summer of the 400 and 200 meters, he said he had been driven by the pressure. But those had been high standards of his own making. This summer he had suffered a pulled quadricep in his meaty left leg, lost his 400 meters winning-streak after eight years and 58 victories, and his invincibility along with it, and, according to an American teammate just the other day, Johnson had lost his heart. The rules were changed under much controversy to bring Johnson to these Sixth World Championships because the global television show simply couldn't go on without him.

WORLD ATHLETICS

But he wasn't ready. He almost failed to advance out of the second round Sunday night. In the final, after a false start, he instinctively reached down and rubbed his sore leg. As he came out of the turn of the race he absolutely had to win he was in third place, in between the Briton Iwan Thomas and the Ugandan Davis Kamoga.

"I wanted to run 21.1 (seconds), but I probably backed off," Johnson said of the first 200 meters. "It's been a tough season. I'm happy to be back."

It has seemed like years since Johnson's main competition was another runner on the same track. Usually he has been chasing Butch Reynolds' nine-year-old world record of 43.29 seconds, or simply trying to extend his state of invincibility.

Now with half the race to go he had ground to make up. No one is better accelerating out of the turn than Johnson and he made quick work of Kamoga, who finished second in a national-record 44.37 seconds as the only "outsider" in a field of four Americans and three Britons. Quickly now Thomas, who has been injured himself, was being left behind. Just then Johnson felt his leg begin to cramp. The clock was spinning away and he had to let it go.

"I wanted to work the third 100 but I couldn't," Johnson said, almost apologetically.

His goal for the remainder of this season is to get his time in the 200 meters down below 20 seconds, and to finish ranked No. 1 in the world in that event. Its a goal he can no longer take for granted. Next month he turns 30, and the remaining years are more likely to resemble this one than those when he seemed so comically fast, running on his heels like a chap in a bowler hat.

Tuesday's victory indicated that Johnson has more heart than he ever had to reveal before. Just past the finish line he grabbed Tyree Washington, the bronze medalist (in a personal-best 44.39 seconds) who had been wishfully thinking aloud the other day that Johnson's best was behind him. They embraced and Johnson lifted Washington up off the ground and an unusual fit of happiness and relief. Johnson may not be at his best, but he is still good enough.

FOUR OTHER gold medals were decided Tuesday, the most impressive of them going to the Cuban who happened to come sauntering along behind Johnson as he celebrated his victory in the basement of the stadium. Ivan Pedroso successfully defended his world title in the long jump, but, more important, he claimed the inheritance of Carl Lewis's kingdom. Lewis, who beat the injured Pedroso in last summer's Olympics, is retiring this season and Pedroso proved he will be the man to beat as he won with an opening attempt of 8.42 meters and spent the rest of the night faulting as he sought Mike Powell's world record of 8.95 meters. Erick Walder of the US claimed the silver medal with a final jump of 8.38 meters.

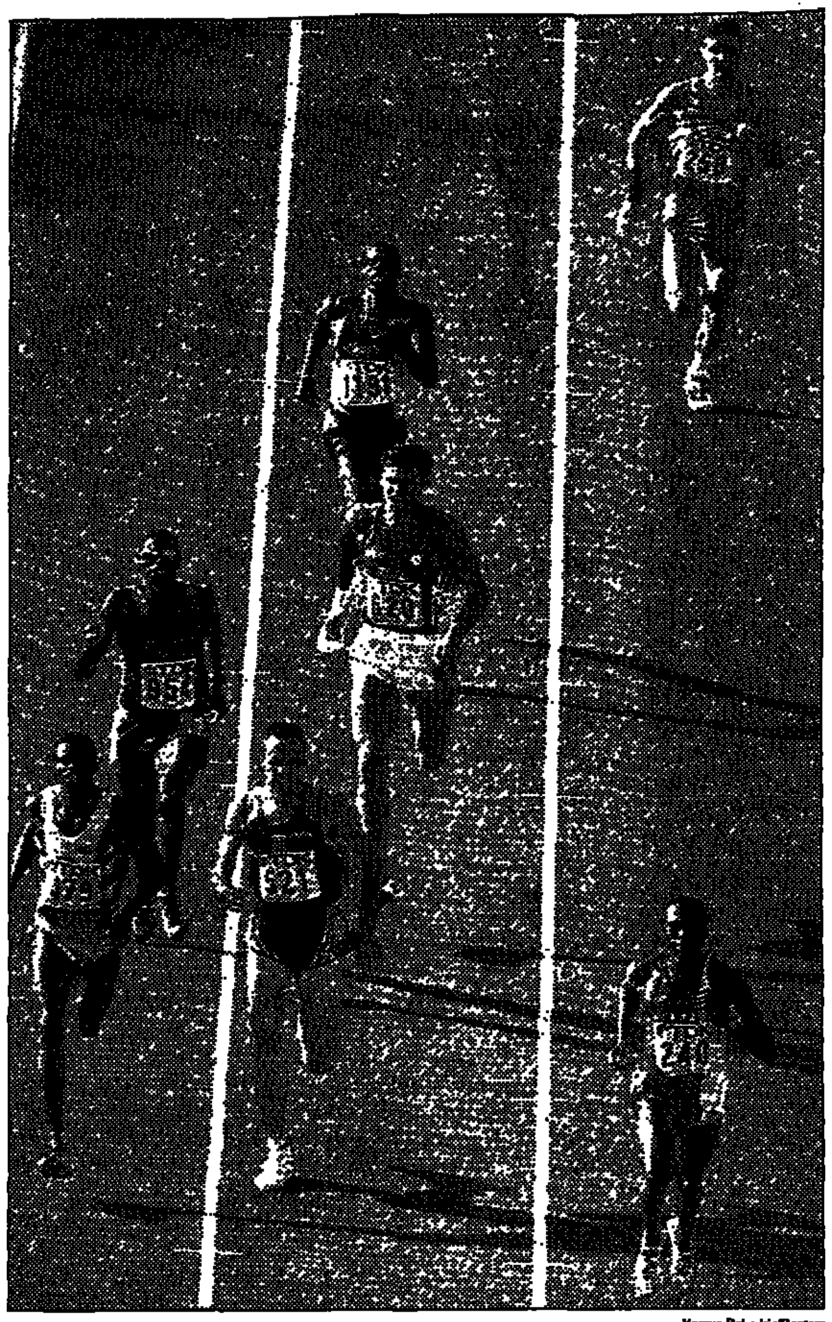
Two women's races were filled with incident, beginning with the 1,500 meters. Around the penultimate lap the Swiss bronze medalist Anita Weyermann (4 minutes, 4.70 seconds) came barreling up the middle like an American halfback on the goal line, shoving the American Regina Jacobs to an outer lane. Sonia O'Sullivan of Ireland apparently began to lose her balance — and in the chain-reaction she reached out and grabbed the top of Jacob's singlet from behind. Jacobs was yanked back and complained afterwards that it prevented her from turning her silver medal (in a time of 4 minutes 4.63 seconds) into a gold.

Carla Sacramento of Portugal won the race in 4:04.24. As she was completing her victory lap, her Portuguese teammate, Fernanda Ribeiro, jogged over and gave her a kiss. A few moments later a gun went off and Ribeiro, the Olympic champion, set out to win the 10,000 meters. She could do no better than silver in 31 minutes, 39.15 seconds, as the 19-year-old Kenyan Sally Barsosio ran away in the final three laps to win in 31:32.92, a world *juniors* record.

In the final third of the race, Gete Wami, the Ethiopian bronze medalist from the Olympics, limped out of the pack with 10 laps to go. As she was being stretchered off Elana Meyer of South Africa, the 1992 Olympic silver medalist, tumbled out of contention. Eventually she regained her feet and finished 17th.

The halfway leader of the decathlon — in the absence of Dan O'Brien, the world and Olympic champion who is injured — was Chris Huffins of the United States with 4,548 points after five events. He held a slim 19-point lead over Tomas Dvorak of the Czech Republic.

The completely-unheralded South African Marius Corbett won the javelin with a second-round attempt of 88.40 meters, an African record. Steve Backley's last attempt of 86.80 seconds earned him the silver medal. Kostas Gatsioudis finished third to become the first Greek medalist.



Yannis Behrakis/Reuters

Wilson Kipketer of Denmark, right, cruising to victory in a heat of the 800 meters Tuesday. Panayotis Stroubakos of Greece, No. 521, was second.

A Real Crowd Pleaser: Nebiolo vs. the Greeks

The Associated Press

ATHENS — Spurred by criticism that they were a no-show at the year's premier sports event, thousands of Greek fans Tuesday evening finally packed the stadium on the fourth day of the World Championships.

"We were upset about all they were saying, and wanted to give a good picture for Athens," said Evgenia Tambaki, as she rushed into the stadium with her 10-year-old daughter.

Nearly all the seats in the 85,000 capacity stadium were full, a stark contrast to some of the previous days, where low attendance led to an acrimonious exchange between Primo Nebiolo, the president of the IAAF, and local organizers.

"For us it was not a surprise that the fans came, and of course they all came with tickets. We didn't open any gates or bring any soldiers," said Andreas Fouras, the Greek Sports Minister.

It was a direct jab at Nebiolo, who is Italian, and charges that he had filled Rome's stadium with soldiers during the 1987 world championship to make the event appear a success.

"Greek fans love athletics and they responded to our call," Fouras said.

In one of the stands, a fan held up a placard reading "we're here Primo."

Fouras and other officials had appealed over the past two days for Athenians to attend the championships, which Greece hopes to use as a showcase in its bid to win the 2004 Olympics. One of the rivals is Rome. A decision will be made in Lausanne, Switzerland, on Sept. 5.

The appeal seems to have worked.

It was a sharp contrast to some of the previous days, when low attendance led Nebiolo to blame local organizers for badly promoting what he describes as the premier sports event of the year.

Many Greeks were angered by Nebiolo's statements, especially when he told Athenians to abandon the beach for the stadium. Nearly half the capital's five million residents are away on summer vacation.

Officials accused Nebiolo of trying to torpedo Athens' chances for the 2004 Games. They claim Nebiolo will do anything to promote Rome's bid.

Nebiolo said the organizers were guilty of poor marketing. Evangelos Savramis, the organizing committee's general director, said Nebiolo proposed to have vans with loudspeakers drive around Athens selling tickets.

"That's how we sell watermelons here," he said.

Sri Lankan Pair Break Test Cricket Records

Reuters

COLOMBO — Sanath Jayasuriya and Ronan Mahanama of Sri Lanka broke the world record for the highest partnership in a test match when they took their unbroken second-wicket stand to 548 runs on the fourth day of the first test against India.

Jayasuriya, a left-hander, finished the day on 326 not out, the 14th triple century in test history and the highest score ever by a Sri Lankan. The highest individual score in tests is 375 by Brian Lara for the West Indies against England in Antigua three years ago.

Mahanama was 211 not out at the close.

They became only the second pair to bat through two entire days of a test. Gary Sobers and Frank Worrell did it for the West Indies against England at Bridgetown, Barbados, in 1959-60.

Jayasuriya and Mahanama passed Don Bradman and Bill Ponsford's second wicket record of 451 for Australia against England in 1934 and then beat the previous best for any wicket, the 467 scored by the New Zealanders Andrew Jones and Martin Crowe against Sri Lanka in Wellington, New Zealand, in 1991.

The pair are 29 runs short of the record partnership in all first-class cricket — 577 by V.S. Hazare and Gul Mahomed for Baroda against Holkar in India in 1946-47.

With one day remaining, and Sri Lanka on 587 runs for one wicket in its first innings and leading India by 50, a draw looks certain.

Jayasuriya became the highest individual scorer for Sri Lanka when he passed the 267 made by Aravinda de Silva in the same test that Jones and Crowe set their record.

"Tomorrow I will not think of any records but play according to the balls I receive," said Jayasuriya.



Gemunu Amarasinghe/The Associated Press

Mahanama, left, and Jayasuriya hugging Tuesday after the pair passed the test record of 467 runs.

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE

EAST DIVISION

	W	L	Pct.	GB
Baltimore	69	39	.639	—
New York	64	45	.587	5½
Boston	53	59	.473	18
Detroit	51	58	.468	18½
Toronto	51	58	.468	18½

CENTRAL DIVISION

	W	L	Pct.	GB
Cleveland	57	49	.538	—
Milwaukee	55	54	.505	3½
Chicago	53	56	.486	5½
Minnesota	50	60	.455	9
Kansas City	46	62	.426	12

WEST DIVISION

	W	L	Pct.	GB
Seattle	62	48	.564	—
Anaheim	63	49	.563	—
Texas	51	59	.464	11
Oakland	43	70	.381	20½

NATIONAL LEAGUE

EAST DIVISION

	W	L	Pct.	GB
Atlanta	71	42	.628	—
Florida	64	46	.582	5½
New York	62	48	.564	7½
Montreal	57	52	.523	12
Philadelphia	36	73	.330	33

CENTRAL DIVISION

	W	L	Pct.	GB
Houston	61	51	.545	—
Pittsburgh	55	57	.491	6
St. Louis	52	59	.468	8½
Cincinnati	46	63	.422	13½
Chicago	45	67	.402	16

WEST DIVISION

	W	L	Pct.	GB
San Francisco	62	50	.554	—
Los Angeles	60	51	.541	1½
San Diego	53	58	.477	8½
Colorado	52	61	.460	10½

MONDAY'S LINESCORES

AMERICAN LEAGUE

Cleveland 103 010 101—7 13 0
Detroit 010 010 000—2 8 1

Nagy, A. Lopez (8) and S. Alomar; S.Sanders, Sager (5), M. Myers (7), Miceli (7), Jarvis (9) and Casanova. W—Nagy, 11-7. L—S. Sanders, 3-9. HRs—Cleveland, Ramirez (15), Thome (30). Detroit, Higginson (19).

New York 100 102 010—5 8 1
Kansas City 000 000 004—4 7 1

D.Wells, Nelson (9), M. Rivera (9) and Girardi; Rusch, M.Perez (7), J. Walker (7), Carrasco (8) and Mi.Sweeney. W—D. Wells 12-5. L—Rusch 3-8. Sv—M. Rivera (33). HRs—New York, O'Neill (16), Hayes 2 (10). Kansas City, Mi.Sweeney (5).

Toronto 000 000 201—3 7 1
Minnesota 000 161 10x—9 14 1

Carpenter, Daal (5), Janzen (7) and B. Santiago; Radke, Guardado (8), Trombley (9) and Steinbach. W—Radke 16-5. L—Carpenter 0-4. HRs—Toronto, B. Santiago (7). Minnesota, Colbrunn (5).

Boston 101 002 034—11 13 0
Texas 100 012 100—5 10 0

Suppan, Mahay (7), Brandenburg (7), B Henry (7) and Hatteberg; Burkett, Vosberg (6), Whiteside (7), Gunderson (8), Patterson (8), Moody (9) and Leyritz. W—B. Henry, 5-2. L—Patterson, 7-5. HR—Boston, Garciaparra (19).

Milwaukee 000 410 000—5 14 1
Anaheim 010 000 100—2 4 0

Karl, Wickman (7), Fetters (9) and Matheny; K.Hill, Da.May (5), Hasegawa (7), Cadaret (9) and Kreuter. W—Karl, 7-10. L—K. Hill, 6-9. Sv—Fetters (6). HRs—Milwaukee, Js.Valentin (10), Nilsson (18), Burnitz (20).

NATIONAL LEAGUE

Houston 000 001 000—1 4 1
Florida 000 202 00x—4 5 0

Holt, R. Springer (8) and Ausmus; L.Hernandez, Powell (8) and C.Johnson. W—L. Hernandez, 6-0. L—Holt, 7-8. Sv—Powell (2). HR—Florida, Bonilla (12).

San Francisco 001 102 203—9 10 0
Cincinnati 000 001 000—1 7 0

Rueter, D. Henry (8) and B. Johnson; Carrara, Lewis (6), Fe.Rodriguez (8) and J. Oliver. W—Rueter, 8-5. L—Carrara, 0-1. HRs—San Francisco, Snow 2 (18), B. Johnson (5).

Atlanta 100 004 001—6 8 0
Pittsburgh 000 000 000—0 4 1

Smoltz and J. Lopez; Cooke, P. Wagner (6), Christiansen (6), Sodowsky (9) and Kendall. W—Smoltz, 10-9. L—Cooke, 8-11. HR—Atlanta, A. Jones (13).

Colorado 000 300 000—3 3 1
Philadelphia 010 123 00x—7 11 0

F.Castillo, Hutton (6), McCurry (7) and Je.Reed; T.Green, Brewer (8), Bottalico (9) and Lieberthal. W—T. Green 2-1. L—F. Castillo 8-10. HRs—Colorado, Castilla (29). Philadelphia, Rolen (15).

St. Louis 020 000 000—2 6 0
New York 002 011 00x—4 8 0

Aybar, Petkovsek (6), C. King (8) and Difelice; R.Reed, Lidle (7), Jo.Franco (9) and Hundley. W—R. Reed, 10-4. L—Aybar, 0-1. Sv—Jo.Franco (29).

Japanese Leagues

CENTRAL LEAGUE

	W	L	T	Pct	GB
Yakult	54	34	1	.614	—
Yokohama	44	40	0	.524	8
Hiroshima	42	43	0	.494	10½
Hanshin	41	45	1	.477	12
Chunichi	42	48	0	.467	13
Yomiuri	38	51	0	.427	16½

PACIFIC LEAGUE

	W	L	T	Pct	GB
Orix	47	32	3	.595	—
Seibu	46	39	2	.541	4
Daiei	45	43	0	.511	6½
Nippon Ham	43	47	1	.478	9½
Lotte	36	45	2	.444	12
Kintetsu	38	49	1	.437	13

TUESDAY'S RESULTS

CENTRAL LEAGUE

Yomiuri 7, Yakult 6
Yokohama 11, Hanshin 1, 5 innings, rain
Hiroshima 7, Chunichi 2

PACIFIC LEAGUE

Orix 5, Daiei 2
Lotte 2, Nippon Ham 0
Seibu vs. Kintetsu, ppd., rain

FOOTBALL

NFL Preseason

Miami 38, Denver 19

CRICKET

SRI LANKA VS. INDIA
FIRST TEST MATCH, 4TH DAY
TUESDAY, IN COLOMBO

India: 537-8 declared
Sri Lanka: 587-1

GOLF

JOHNNIE WALKER RYDER CUP

Standings for the 1997 Ryder Cup to be played Sept. 26-28 at Valderrama in Sotogrande, Spain. The top 10 finishers will qualify for the 12-man teams. U.S. captain Tom Kite and European captain Seve Ballesteros will select two players at large to complete each team:

UNITED STATES

1, Tiger Woods 1165.000 points; 2, Tom Lehman 1016.286; 3, Justin Leonard 888.500; 4, Jim Furyk 867.500; 5, Phil Mickelson 809.286; 6, Mark O'Meara 801.250; 7, Brad Faxon 727.500; 8, Scott Hoch 711.246; 9, Tommy Tolles 689.285; 10, Davis Love III 657.166; 11, Jeff Maggert 646.625; 12, Steve Jones 579.280; 13, Mark Brooks 549.750; 14, Paul Stankowski 503.334; 15, David Duval 470.000.

EUROPE

1, C. Montgomerie, Scot., 842,230.78 points.
2, Darren Clarke, N.Ireland 584,990.35;
3, Ian Woosnam, Wales 505,574.69;
4, Lee Westwood, England 441,018.17.
5, Bernhard Langer, Germany 371,577.96;
6, Per-Ulrik Johansson, Sweden 333,710.30;
7, Thomas Bjorn, Denmark 327,011.59;
8, Miguel Angel Martin, Spain 324,400.30;
9, Costantino Rocca, Italy 314,555.29;
10, Ignacio Garrido, Spain 296,921.22;
11, Padraig Harrington, Ireland 282,390.04;
12, Jose Maria Olazabal, Spain 266,784.06;
13, Paul Broadhurst, England 255,644.68;
14, Roger Chapman, England 238,852.45;
15, Mark James, England 237,609 86.

TRACK & FIELD

World Championships

MEN

400 METERS

FINAL

1, Michael Johnson, U.S., 44.12; 2, Davis Kamoga, Uganda, 44.37; 3, Tyree Washington, U.S., 44.39; 4, Mark Richardson, Britain, 44.47; 5, Jerome Young, U.S., 44.51; 6, Iwan Thomas, Britain, 44.52; 7, Antonio Pettigrew, U.S., 44.57; 8, Jamie Baulch, Britain, 45.22.

LONG JUMP

FINAL

1, Ivan Pedroso, Cuba, 8.42 meters; 2, Erik Walder, U.S., 8.38; 3, Kirill Sosunov, Russia, 8.18; 4, James Beckford, Jamaica, 8.14; 5, Nelson Ferreira Jnr, Brazil, 8.04; 6, Alexander Glavatski, Belarus, 8.03; 7, Cheikh Toure, Senegal, 7.98; 8, Kevin Dilworth, U.S., 7.88; 9, Masaki Morinaga, Japan, 7.86; 10, Lao Jianfeng, China, 7.76; 11, Bogdan Tudor, Romania, 7.66. Maurice Wignall, Jamaica, no mark recorded.

JAVELIN

FINAL

1, Marius Corbett, South Africa, 88.40 meters; 2, Steve Backley, Britain, 86.80; 3, Kostas Gatzioudis, Greece, 86.64; 4, Mick Hill, Britain, 86.54; 5, Sergei Makarov, Russia, 86.32; 6, Boris Henry, Germany, 84.54; 7, Emeterio Gonzalez, Cuba, 83.56; 8, Aki Parviainen, Finland, 82.80; 9, Jan Zelezny, Czech Republic, 82.04; 10, Gregor Hogler, Austria, 81.56; 11, Andrei Moruyev, Russia, 81.38; 12, Patrik Boden, Sweden, 80.66.

DECATHALON

100 METERS

HEAT 1— 1, Jaime Penas, Spain, 11.08 seconds; 2, Sebastian Chmara, Poland, 11.17; 3, Sebastien Levicq, France, 11.25; 4, Jack Rosendaal, Netherlands, 11.27; 5, Indrek Kaseorg, Estonia, 11.39; 6, Rojs Piziks, Latvia, 11.77.

HEAT 2— 1, Javier Benet, Spain, 11.04; 2, Klaus Isekenmeier, Germany, 11.05; 3, Philipp Huber, Switzerland, 11.08; 4, Mario Anibal, Portugal, 11.09; 5, Oleg Veretelnikov, Uzbekistan, 11.10; 6, Beniamino Poserina, Italy, 11.10; 7, Cedric Lopez, France, 11.21.

HEAT 3— 1, Roman Sebrle, Czech Republic, 10.91; 2, Douglas Pirini, New Zealand, 10.93; 3, Ramil Ganiyev, Uzbekistan, 10.94; 4, Marcel Dost, Netherlands, 10.97; 5, Michael Smith, Canada, 11.04; 6, Lev Lobodin, Russia, 11.07; 7, Alper Kasapoglu, Turkey, 11.28.

HEAT 4— 1, Victor Houston, Barbados, 10.72; 2, Prodromos Korkizoglou, Greece, 10.77; 3, Robert Zmelik, Czech Republic, 10.84; 4, Shawn Wilbourn, United States, 10.88; 5, Stefan Schmid, Germany, 10.93; 6, Pierre-A. Vial, France, 11.02; 7, Jagan Hames, Australia, 11.11.

HEAT 5— 1, Chris Huffins, United States, 10.39; 2, Tomas Dvorak, Czech Republic, 10.60; 3, Jon Magnusson Arnar, Iceland, 10.61; 4, Erki Nool, Estonia, 10.67; 5, Frank Busemann, Germany, 10.76; 6, Eduard Hamalainen, Finland, 10.81; 7, Steve Fritz, United States, 10.96.

LONG JUMP

GROUP 1— 1, Frank Busemann, Germany, 7.96 meters; 2, Roman Sebrle, Czech Republic, 7.71; 3, Klaus Isekenmeier, Germany, 7.56; 4, Marcel Dost, Netherlands, 7.45; 5, Oleg Veretelnikov, Uzbekistan, 7.32; 6, Steve Fritz, United States, 7.30; 7, Prodromos Korkizoglou, Greece, 7.29; 8, Robert Zmelik, Czech Republic, 7.28; 9, Jagan Hames, Australia, 7.27; 10, Michael Smith, Canada, 7.25; 11, Philipp Huber, Switzerland, 7.18; 12, Douglas Pirini, New Zealand, 7.17; 13, Indrek Kaseorg, Estonia, 7.16; 14, Jaime Penas, Spain, 7.16; 15, Cedric Lopez, France, 7.13; 16, Mario Anibal, Portugal, 7.3; 17, Beniamino Poserina, Italy, 6.93.

GROUP 2— 1, Chris Huffins, United States, 7.85; 2, Tomas Dvorak, Czech Republic, 7.64; 3, Ramil Ganiyev, Uzbekistan, 7.58; 4, Stefan Schmid, Germany, 7.58; 5, Victor Houston, Barbados, 7.57; 6, Eduard Hamalainen, Finland, 7.56; 7, Sebastian Chmara, Poland, 7.56; 8, Jon Magnusson Arnar, Iceland, 7.42; 9, Erki Nool, Estonia, 7.37; 10, Javier Benet, Spain, 7.19; 11, Pierre-A. Vial, France, 7.11; 12, Lev Lobodin, Russia, 7.07; 13, Sebastien Levicq, France, 7.01; 14, Jack Rosendaal, Netherlands, 6.94; 15, Shawn Wilbourn, United States, 6.94; 16, Alper Kasapoglu, Turkey, 6.91; 17, Rojs Piziks, Latvia, 6.79.

SHOT PUT

GROUP 1— 1, Michael Smith, Canada, 17.54 meters; 2, Tomas Dvorak, Czech Republic, 16.32; 3, Jaime Penas, Spain, 15.33; 4, Mario Anibal, Portugal, 14.57; 5, Steve Fritz, United States, 14.41; 6, Roman Sebrle, Czech Republic, 14.33; 7, Philipp Huber, Switzerland, 14.29; 8, Klaus Isekenmeier, Germany, 14.28; 9, Douglas Pirini, New Zealand, 14.17; 10, Jagan Hames, Australia, 14.08; 11, Beniamino Poserina, Italy, 14.04; 12, Oleg Veretelnikov, Uzbekistan, 13.93; 13, Indrek Kaseorg, Estonia, 13.87; 14, Marcel Dost, Netherlands, 13.61; 15, Frank Busemann, Germany, 13.53; 16, Pierre-A. Vial, France, 13.35; 17, Prodromos Korkizoglou, Greece, 13.28.

GROUP 2— 1, Eduard Hamalainen, Finland, 15.71; 2, Chris Huffins, United States, 15.28; 3, Sebastian Chmara, Poland, 15.21; 4, Jon Magnusson Arnar, Iceland, 15.05; 5, Lev Lobodin, Russia, 15.00; 6, Shawn Wilbourn, United States, 14.85; 7, Ramil Ganiyev, Uzbekistan, 14.76; 8, Stefan Schmid, Germany, 14.58; 9, Robert Zmelik, Czech Republic, 14.38; 10, Erki Nool, Estonia, 14.33; 11, Rojs Piziks, Latvia, 14.05; 12, Alper Kasapoglu, Turkey, 13.99; 13, Javier Benet, Spain, 13.66; 14, Sebastien Levicq, France, 13.58; 15, Cedric Lopez, France, 13.48; 16, Victor Houston, Barbados, 12.82; 17, Jack Rosendaal, Netherlands, 12.73.

HIGH JUMP

GROUP A— 1, Chris Huffins, U.S., 2.06 meters, 859 points; 2, Javier Benet, Spain, 2.03, 831; 3, Jon Magnusson, Iceland, 2.00, 803; 4, Thomas Dvorak, Czech Republic, 2.00, 803; 5, Prodromos Korkizoglou, Greece, 2.00, 803; 6, Stefan Schmid, Germany, 1.97, 776; 7, Sebastien Levicq, France, 1.94, 749; 8, Beniamino Poserina, Italy, 1.91, 723; 9, Marcel Dost, Netherlands, 1.91, 723; 10, Klaus Isekenmeier, Germany, 1.91, 723; 11 equal, Erki Nool, Estonia, 1.91, 723; 11 equal, Shawn Wilbourn, U.S., 1.91, 723; 13, Pierre-Alexandre Vial, France, 1.88, 696; 14 equal, Oleg Veretelnikov, Uzbekistan, 1.85, 670; 14 equal, Alper Kasapoglu, Turkey, 1.85, 670; 16, Philipp Huber, Switzerland, 1.85, 670; Douglas Pirini, New Zealand, no mark recorded.

GROUP B— 1, Jagan Hames, Australia, 2.24, 1,031; 2, Sebastian Chmara, Poland, 2.12, 915; 3, Cedric Lopez, France, 2.09, 887; 4, Frank Busemann, Germany, 2.09, 887; 5, Roman Sebrle, Czech Republic, 2.09, 887; 6, Ramil Ganiyev, Uzbekistan, 7.06, 859; 7, Michael Smith, Canada, 2.03, 831; 8, Indrek Kaseorg, Estonia, 2.03, 831; 9 equal, Mario Anibal, Portugal, 2.03, 831; 9 equal, Victor Houston, Barbados, 2.03, 831; 11, Rojs Piziks, Latvia, 2.00, 803; 12, Steve Fritz, U.S., 2.00, 803; 13, Eduard Hamalainen, Finland, 1.97, 776; 14, Robert Zmelik, Czech Republic, 1.97, 776; 15, Lev Lobodin, Russia, 1.94, 749; 16, Jaime Penas, Spain, 1.94, 749; Jack Rosendaal, Netherlands, did not start.

400 METERS

HEAT 1— 1, Victor Houston, Barbados, 47.91 seconds, 913 points; 2, Sebastian Chmara, Poland, 48.24, 898; 3, Klaus Isekenmeier, Germany, 48.56, 882; 4, Oleg Veretelnikov, Uzbekistan, 48.85, 868; 5, Cedric Lopez, France, 48.88, 867; 6, Prodromos Korkizoglou, Greece, 49.59, 834; Shawn Williams, U.S., did not start.

HEAT 2— 1, Stefan Schmid, Germany, 48.14, 902; 2, Ramil Ganiyev, Uzbekistan, 48.34, 893; 3, Javier Benet, Spain, 48.49, 886; 4, Indrek Kaseorg, Estonia, 48.66, 877; 5, Robert Zmelik, Czech Republic, 49.39, 843; 6, Mario Anibal, Portugal, 49.73, 827; 7, Beniamino Poserina, Italy, 49.99, 815.

HEAT 3— 1, Thomas Dvorak, Czech Republic, 47.56, 931; 2, Marcel Dost, Netherlands, 47.99, 910; 3, Philipp Huber, Switzerland, 48.00, 909; 4, Frank Busemann, Germany, 48.32, 894; 5, Steve Fritz, U.S., 48.70, 876; 6, Lev Lobodin, Russia, 49.02, 860; Douglas Pirini, New Zealand, did not start.

HEAT 4— 1, Eduard Hamalainen, Finland, 46.71, 973; 2, Erki Nool, Estonia, 46.99, 959; 3, Roman Sebrle, Czech Republic, 48.16, 901; 4, Pierre-Alexandre Vial, France, 48.87, 867; 5, Chris Huffins, U.S., 49.05, 859; 6, Michael Smith, Canada, 49.67, 830; Jon Magnusson, Iceland, did not start

HEAT 5— 1, Jagan Hames, Australia, 49.92, 818; 2, Sebastien Levicq, France, 57.43, 663; Alper Kasapoglu, Turkey, did not start. Rojs Piziks, Latvia, did not start. Jack Rosendaal, Netherlands, did not start. Jaime Penas, Spain, did not start.

LEADING STANDINGS (5 EVENTS): 1, Huffins 4,548 points; 2, Dvorak 4,527; 3, Busemann 4,446; 4, Hamalainen 4,435; 5, Sebrle 4,405; 6, Chmara 4,389; 7, Ganiyev 4,356; 8, Smith 4,333; 9, Hames 4,296; 10, Houston 4,276.

WOMEN

1500 METERS

FINAL

1, Carla Sacramento, Portugal, 4:04.24; 2, Regina Jacobs, U.S., 4:04.63; 3, Anita Weyermann, Switzerland, 4:04.70; 4, Malte Zuniga, Spain, 4:04.80; 5, Lea Pells, Canada, 4:06.18; 6, Andrea Suldesova, Czech Republic, 4:06.33; 7, Olga Nelyubova, Russia, 4:07.34; 8, Sonia O'Sullivan, Ireland, 4:07.81; 9, Kutre Dulecha, Ethiopia, 4:08.15; 10, Malin Ewerlof, Sweden, 4:08.68; 11, Robyn Meagher, Canada, 4:10.83; 12, Malgorzata Rydz, Poland, 4:13.25.

10,000 METERS

FINAL

1, Sally Barsosio, Kenya, 31:32.92; 2, Fernanda Ribeiro, Portugal, 31:39.15; 3, Masako Chiba, Japan, 31:41.93; 4, Berhane Adere, Ethiopia, 31:48.95; 5, Ren Xiujuan, China, 31:50.63; 6, Tegla Loroupe, Kenya, 32:00.93; 7, Yang Siju, China, 32:01.61; 8, Colleen De Reuck, South Africa, 32:03.81; 9, Silvia Sommaggio, Italy, 32:16.92; 10, Chemi Takahashi, Japan, 32:23.61; 11, Nora Rocha, Mexico, 32:34.58; 12, Julia Vaquero, Spain, 32:36.91; 13, Annette Peters, U.S., 32:43.38; 14, Chantal Dallenbach, France, 32:51.20; 15, AnneMari Sandell, Finland, 33:00.11; 16, Hiromi Masuda, Japan, 33:03.14; 17, Elana Meyer, South Africa, 33:05.82; Gete Wami, Ethiopia, did not finish, Marleen Renders, Belgium, did not finish, Zahia Dahmani, France, did not finish.

SHOT PUT

QUALIFIED FOR FINAL

1, Astrid Kumbernuss, Germany, 20.69 meters; 2, Vita Pavlysh, Ukraine, 20.48; 3, Huang Zhihong, China, 19.05; 4, Svetlana Krivelyova, Russia, 18.41; 5, Connie Price-Smith, U.S., 18.35; 6, Nadine Kleinert, Germany, 18.26; 7, Stephanie Storp, Germany, 18.12; 8, Svetla Mitkova, Bulgaria, 18.07; 9, Tressa Thompson, U.S., 18.07; 10, Krystyna Danilczyk, Poland, 18.05; 11, Valeyla Allbhouse, U.S., 17.89.

Medals Table

Nation	G	S	B	Total
United States	3	3	4	10
Germany	2	0	1	3
Ukraine	1	2	1	4
Portugal	1	1	0	2
South Africa	1	1	0	2
Australia	1	0	0	1
Cuba	1	0	0	1
Czech Republic	1	0	0	1
France	1	0	0	1
Kenya	1	0	0	1
Mexico	1	0	0	1
Britain	0	2	0	2
Russia	0	1	2	3
Canada	0	1	0	1
Jamaica	0	1	0	1
Romania	0	1	0	1
Uganda	0	1	0	1
Bahamas	0	0	1	1
Belarus	0	0	1	1
Greece	0	0	1	1
Japan	0	0	1	1
Lithuania	0	0	1	1
Switzerland	0	0	1	1

TRANSITIONS

BASEBALL

AMERICAN LEAGUE

ANAHEIM—Put OF Jim Edmonds on 15-day disabled list, retroactive to Aug. 1. Activated DH Eddie Murray from 15-day disabled list.

CLEVELAND—Put RHP Orel Hershiser on 15-day disabled list. Recalled LHP Jason Jacome from Buffalo, AA.

TEXAS—Put RHP Xavier Hernandez on 15-day disabled list. Recalled RHP Eric Moody from Oklahoma City, AA.

NATIONAL LEAGUE

CHICAGO—Promoted RHP Len Hart from Rockford, Midwest L, to Daytona, FSL.

CINCINNATI—Activated SS Barry Larkin from 15-day disabled list. Put 1B Hal Morris on 15-day disabled list. Bought contract of RHP Giovanni Carrara from Indianapolis, AA. Optioned IF Eric Owens to Indianapolis and recalled RHP Richie Lewis from Indianapolis.

MONTREAL—Activated RHP Mike Johnson and LHP Steve Kline. Optioned RHP Steve Falteisek to Ottawa, IL.

NEW YORK—Announced working agreement with Oaxaca, Mexican Professional Summer League.

ST. LOUIS—Put OF Phil Plantier on 15-day disabled list. Recalled RHP Manny Aybar and OF Scarborough Green from Louisville, AA.

BASKETBALL

NATIONAL BASKETBALL ASSOCIATION

DENVER—Re-signed G Anthony Goldwire.

FOOTBALL

NATIONAL FOOTBALL LEAGUE

ATLANTA—Released LB Mike Croel, FB Robert Baldwin, WR Anthony Ladd and G Todd Perkins.

CINCINNATI—Released RB Deland McCullough and WR Wayne Messam.

DENVER—Signed DT Mike Lodish and DT Sylvester Stanley.

GREEN BAY—Claimed DE Nicholas Lopez off waivers from Miami Dolphins. Put QB Ronnie McAda on reserve-military list. Waived TE Lovell Pinkney.

KANSAS CITY—Signed LB Bobby Houston to 1-year contract. Released CB Michael Senters. Put LB Tommy Dorsey on injured reserve.

SEATTLE—Signed CB Shawn Springs to 7-year contract. Signed DT Dan Saleaumua. Agreed to terms with OL Walter Jones on 6-year contract.

ST. LOUIS—Signed RB Amp Lee, RB Jon Vaughn and OL Barry Stokes. Released OL Craig Novitsky, OL Aaron Henne, RB Don Hilson, WR A.C. Tellison and P Nate Cochran.

TAMPA BAY—Signed FB Dwayne Mobley. Waived DE Rich McKenzie and RB Jermaine Williams.

HOCKEY

NATIONAL HOCKEY LEAGUE

ANAHEIM—Re-signed C Ted Drury, F Craig Reichert, F Jeremy Stevenson and F Bob. Wren to 2-year contracts.

BOSTON—Agreed to terms with C Joe Thornton on 3-year contract

CHICAGO—Re-signed RW Jim Cummins and D Eric Weinrich.

MONTREAL—Re-signed LW Brian Savage and D Jassen Cullimore to 1-year contracts and D Craig Rivet to 2-year contract.

PHOENIX COYOTES—Signed LW Jeff Chychrun to a one-year contract.

ST. LOUIS—Re-signed C Pierre Turgeon to 1-year contract

TAMPA BAY—Re-signed LW Patrick Poulin.

COLLEGE

FLORIDA STATE—Announced S Robert Hammond and LB Hank Grant have been dismissed from football team

هكذا من الأصل

True Professionals Follow the Money

By Rob Hughes
International Herald Tribune

ATHENS — As much as we might aspire to fair play, sports are no different to commerce when it comes to redistributing the spoils of the market place.

In Athens, at the World Athletics Championships, we watch African runners scoop prizes and endorsements that might feed whole villages; in soccer the profits flow more and more to the individuals, and less to the nations and clubs that are their breeding grounds.

Perhaps it was ever thus. When Alfredo di Stefano, the Argentine, and

World Soccer

Ferenc Puskas, the Hungarian, starred for Real Madrid in the early days of the European Cup in the 1950s they were effectively defectors; rich ones.

Now the trade is global, the contracts transient, and the pockets of players and agents are filled deeper than the coffers of destitute producer clubs.

Indeed, agents are feeding avariciously off the freedom of movement granted to players under European labor laws following the Jean-Marc Bosman case two years ago. FIFA, the governing body of world soccer, licenses agents to try to stop the sharp practice of middle men ripping off clubs — as has happened for decades in South America — but Africa, the new continent of unspoiled creative individuality, draws the entrepreneurs like bees to the honey pot.

Take Nigeria, the Olympic soccer champion, the first nation to qualify for the 1998 World Cup, the homeland of players blessed with speed and physical and mental toughness, and all manner of reasons to get out of the country and earn elsewhere. Their national team coach, Philippe Troussier, is at home in France wondering if he will ever get the Nigerian federation to pay his outstanding salary for June and July.

Calling the "boys" home for national duty is a feat of airline logistics. The Odyssey might start with Amsterdam, where Sunday Oliseh, the rangy midfielder, has moved to Ajax from his former club FC Cologne.

Oliseh joined his compatriot Tijani Babangida, the team's right winger. Ajax regrets that, due to the fact that Milan and others have exploited the Bosman effects to siphon off that Dutch club's own renowned youth, so Ajax must now be predatory.

Oliseh and Babangida replace Finidi George, now with Betis of Seville and, and Nwanku Kanu who, thrillingly, has just resumed active service for Inter Milan after heart surgery in Cleveland.

The plane that picks up Kanu in Italy might make the short hop to Turin to take aboard Taribo West, the tall, tough, athletic defender who has joined Juventus from Auxerre in France.

The flight might then detour to Turkey, for Uche Okechukwu, Nigeria's defensive rock and team captain. He is employed by Fenerbahce, as is Augustine (Jay Jay) Okocha, the gifted play-maker, who had a spell in Germany with Eintracht Frankfurt.

Also in Turkey is Daniel Amokachi, the explosive front runner who had an unsettling two seasons in England where Everton failed to use his pace and power, which are "English" virtues.

Nevertheless, even the English are learning to appreciate foreign techniques. Among 126 overseas' performers now with England's Premier League teams, Nigeria's Celestine Babayaro is the newest.

He joined Chelsea, for a $4 million transfer fee and a five year personal contract this summer. But it is not Nigeria that benefits financially from this trade. Chelsea's millions went to Anderlecht in Belgium where Babayaro was registered.

The Belgians mined the African fields long ago for gifted and young players. The French too, though France in all sports was quick to nationalize the Africans.

Scan the French national team, and it is Jean-Marie Le Pen's worst nightmare: a polyglot mix of race, religion and color. Good for France, but even a sophisticated European country is prey to the procurement fashions abroad.

Fourteen of France's finest, both black and white, play soccer for Italy's Serie A sides. There are another dozen in England, not least at Arsenal to where Arsene Wenger has imported five of his countrymen.

In 11 months since arriving in London from Monaco via the Japanese J-League, Wenger has spent $45 million on 11 new players; only one is born and bred in England.

The coach argues, as does Ruud Gullit, the Dutchman transforming Chelsea, that he would buy British if the right talent was available for the right price.

"We try all the time to find good English players," they chorus, "but we are asked for $10 million and we can get three stars from Europe for that!"

NORTH OF the border, in Scotland, Glasgow Rangers has spent $20 million-plus this summer on Italian experience in Sergio Porrini, Marco Negri, Lorenzo Amoruso and Rino Gatuso, as well as the Swede Jonas Thern from Roma.

Rangers is omnipotent in its home league, the victors of Scotland's championship nine consecutive times. Yet, with 15 foreign parts in his squad, coach Walter Smith tacitly admits that Rangers cannot make any inroad into the greater riches of the UEFA Champions' League using only native talent.

To the south, Gullit articulates what for so long the myopic Brits could not see for themselves.

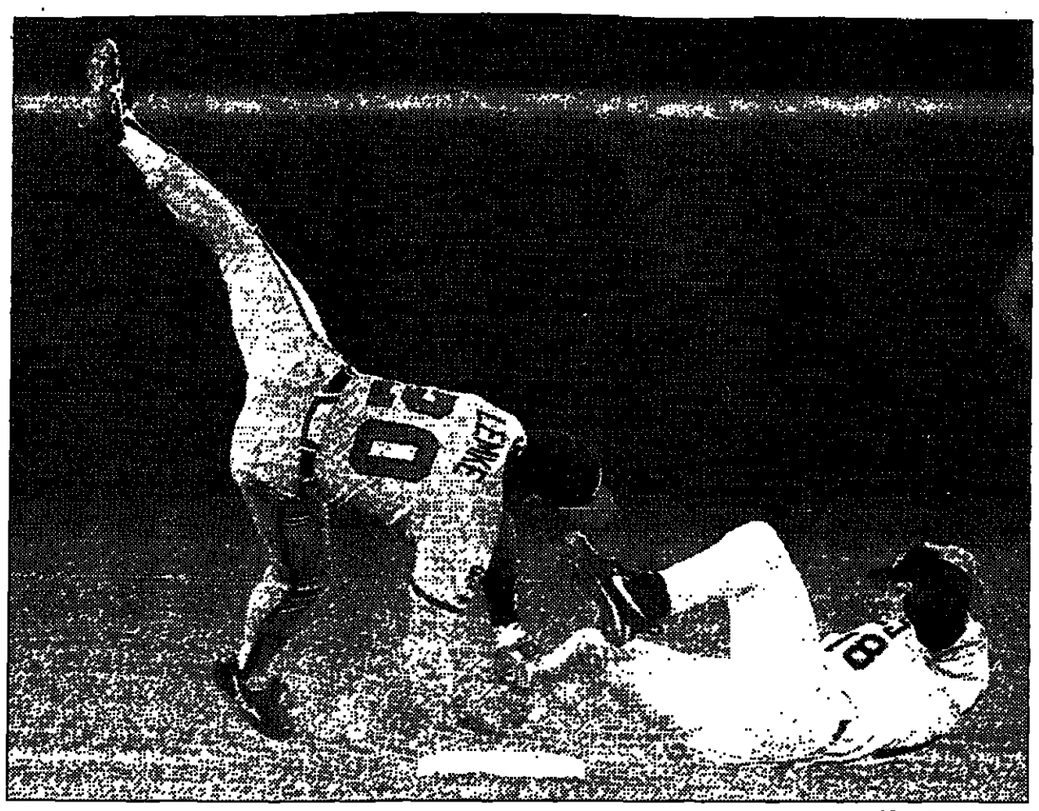
"To improve your standards, you have to have players not only of technique and awareness," says the Dutchman, "but the attitude has to change."

"I find I have to push English players more," he adds, an ironic turn of phrase since it seems to many that in pushing Chelsea to win the FA Cup, and in buying five more foreign players since May, Gullit has pushed the British talents right out of Chelsea's Stamford Bridge ground.

"Ya, but you have to see what is happening," he says. "After training, the foreign players stay on the field. They realize it is not over when the coach says stop. Football is a *profession*, and you have to improve yourself every day."

Gullit insists he is opening, not closing, doors to the youth of England. That his imported players, imported habits, will rub off on the apprentices at Chelsea so that, in time, the trend will reverse itself in England's favor. Meanwhile, they buy, and the world is the big spenders' oyster.

Rob Hughes is on the staff of The Times of London.



Lenny Ignelzi/The Associated Press

Jason Kendall of the Pirates, right, upending Mark Lemke of the Braves at second base in Pittsburgh.

Radke of Twins Wins 12th in a Row

The Associated Press

Brad Radke is the hottest pitcher the American League has seen in 25 years.

Radke took his winning streak to 12 in his last 12th starts Monday night as the Minnesota Twins beat the Toronto Blue Jays, 9-3.

According to the Elias Sports Bureau, only three pitchers have won 12 con-

AL Roundup

secutive starts since 1950. The other two are Bob Gibson of St. Louis, in 1968, and Pat Dobson, who did it with Baltimore in 1971.

"I never really thought I should be there," Radke said of his climb through the record books. "It's nice to be up there. It's nice to be on a streak like this."

Radke, a 24-year-old right-hander who entered this season with a career major league record of 22-30, allowed two runs — both unearned.

"Every pitch he throws has good location," said Mariano Duncan of Toronto, who was 0-for-5.

The AL record for consecutive wins is 16, held by four players. Schoolboy Rowe was the last to do it, in 1934.

The major league record is 19, set by Tim Keefe in 1888 and matched by Rube Marquard in 1912.

Next on the list for Radke is Ellis Kinder, who won 13 straight starts in 1949. Radke will have to beat the New York Yankees on Saturday to do that.

"It's going to be a big night," he said. "It's going to be tough."

Radke allowed five hits, struck out four and walked three as he lowered his earned run average during the streak to 1.87. He left after throwing 125 pitches in seven innings.

Greg Colbrunn hit a pinch-hit grand slam in Minnesota's six-run fifth inning.

Yankees 5, Royals 4 David Wells came within two outs of getting his third shutout in four starts, Charlie Hayes hit two home runs as New York held on to win in Kansas City.

The victory was the fifth in six games for the Yankees.

Wells took a three-hitter into the ninth but was relieved by Jeff Nelson with one out after allowing a pair of singles and committing a throwing error that allowed Kansas City to score its first run.

Indians 7, Tigers 2 In Detroit, Manny Ramirez of Cleveland homered and drove in four runs, Jim Thome hit his 30th homer and Charles Nagy continued his domination of the Tigers .

Nagy improved to 12-4 lifetime against the Tigers, his most victories against any club.

Nagy, who is 2-1 against the Tigers this season, and was 3-0 last year, gave up two runs on seven hits and two walks with seven strikeouts.

Thome's homer in the seventh made him the first Cleveland left-handed hitter to hit 30 homers in successive seasons since Hal Trosky in 1936-37.

Red Sox 11, Rangers 5 Troy O'Leary's three-run triple in the eighth inning led Boston to victory in Texas.

With the Red Sox trailing 5-4, John Valentin led off the eighth with a single off Matt Whiteside and Mike Stanley drew a walk. Wil Cordero's infield single loaded the bases and O'Leary's drive off the scoreboard cleared the bases.

Nomar Garciaparra went 3-for-5 with his 19th homer and his league-leading 47th multi-hit game.

Brewers 5, Angels 2 Jose Valentin, Dave Nilsson and Jeromy Burnitz all homered in the fourth inning as Milwaukee won in Anaheim for its 10th victory in 12 games.

Scott Karl (7-10) won for the fifth time in five starts since the All-Star break. The left-hander was charged with two runs, one earned, and five hits in six-plus innings. He struck out six and did not walk a batter for the second consecutive start.

Ken Hill, making his home debut and second start for the Angels since the July 29 trade from Texas, surrendered the three home runs in a span of four batters after giving up none in his previous 30 innings.

Elway Hurt as Broncos Lose

The Associated Press

Denver quarterback John Elway left the exhibition game against Miami in Mexico City because of a partly torn right bicep tendon.

Elway hurt his throwing arm and left during a timeout late in the first quarter of Denver's 38-19 loss Monday.

"My bicep is partially torn," Elway said. "I'm not sure how I did it. It could be really good or it could be really bad. We'll have to wait and see."

Miami linebacker Zach Thomas broke his left fibula on a kickoff return in the first quarter, but said he expected to be back by the regular-season opener against Indianapolis on Aug. 31.

• Bruce Smith, last season's NFL Defensive Player of the Year, had his first workout of the preseason with Buffalo on Monday.

Smith, 34, held out for three weeks before reporting to the team before its exhibition loss to Chicago on Saturday night. He was fined $105,000, $5,000 for each day missed.

Smith has been complaining about a contract reworked in 1995 that calls for him to be paid $2.2 million this season. He wants to play out the final year in hopes of becoming a free agent. He turned down a five-year, $22 million offer in May.

• San Diego linebacker Junior Seau underwent surgery to repair torn cartilage in his left knee. He is expected to be out four weeks and to miss the season opener at New England.

Grim Tour Goes On for Slumping McGwire

The Associated Press

So far, Mark McGwire has flopped in Philadelphia and stumbled at Shea Stadium.

The mighty McGwire was 0-for-4 with two strikeouts — one with John Mabry aboard and no outs in the ninth — as the St. Louis Cardinals lost in New York to the Mets Monday night, 4-2.

Four games into his first tour of National League parks, McGwire is 1-for-

NL Roundup

13 with five strikeouts, an infield single and a .077 batting average for the Cardinals.

And this is the same guy who brought his major league-leading 34 home runs with him from Oakland?

"He's got so much talent, he'll make it work," said Tony LaRussa, the Cardinals's manager. "I'll bet on him finding a way to make it work."

Nothing worked for McGwire against the Mets. He popped out, grounded out, took a called third strike and then whiffed on a 1-2 pitch by John Franco in the ninth.

"I think he's contending with several factors," LaRussa added. "The newness, he's probably anxious to do well. He's probably feeling our offensive struggles."

Marlins 4, Astros 1 In Miami, the rookie Livan Hernandez (6-0) won his sixth straight game with 7⅓ strong innings against Houston.

With Florida ahead 2-1 in the sixth, Bobby Bonilla hit a two-out, two-run homer and singled home a run in the fourth.

The Astros rookie Chris Holtsook took the loss. Houston had a seven-game road winning streak snapped.

Phillies 7, Rockies 3 In Philadelphia, the Phillies won for the sixth time in their last seven games as Tyler Green pitched seven solid innings.

Scott Rolen gave Philadelphia a 4-3 lead with a two-out, two-run homer in the fifth and doubled and scored a run in the fourth.

Green, who missed last season with a shoulder injury and only returned to the Phillies on July 13, allowed three hits in seven innings, including Vinny Castilla's three-run homer. He stuck out seven and walked four.

Braves 6, Pirates 0 John Smoltz pitched a four-hitter for his second shutout of the season and Andruw Jones provided the power with a two-run homer as Atlanta won in Pittsburgh.

Smoltz did not allow a runner past second until Joe Randa walked to open the seventh and reached third on a double play.

Steve Cooke limited Atlanta to one run and three hits until the sixth, when he failed to retire any of the five batters he faced.

Giants 9, Reds 1 J.T. Snow hit two homers and had a career-best five runs batted in to lead San Francisco to victory in Cincinnati.

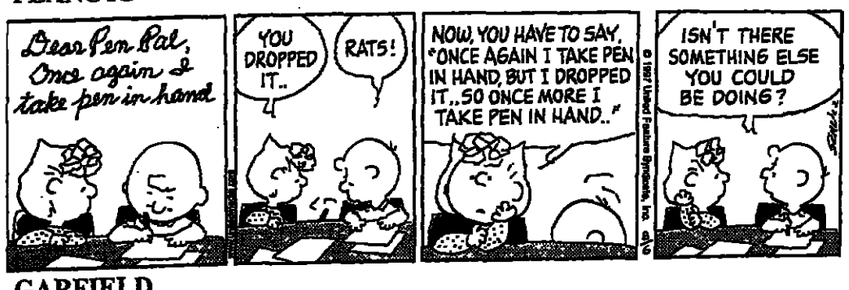
Snow hit a two-run homer, his 17th, off Richie Lewis to put the Giants ahead 6-1 in the seventh inning.

He added a three-run shot in the ninth off Felix Rodriguez, a 431-foot (132-meter) drive into the third deck in right field.

DENNIS THE MENACE



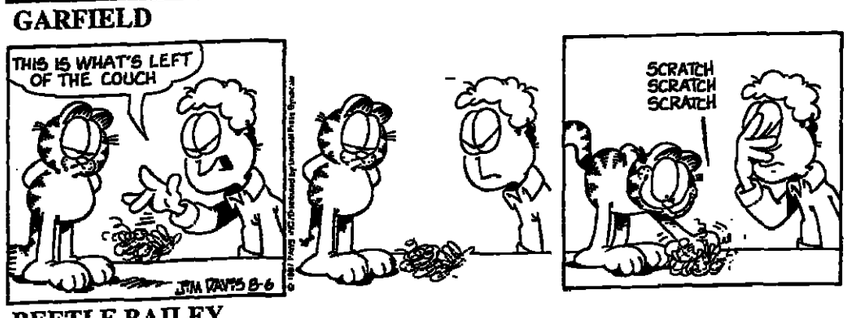
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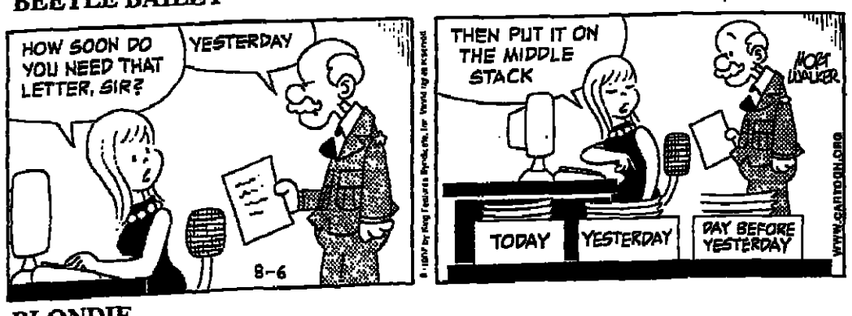
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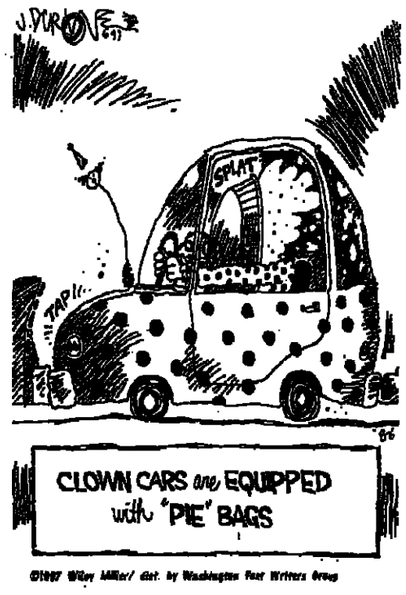
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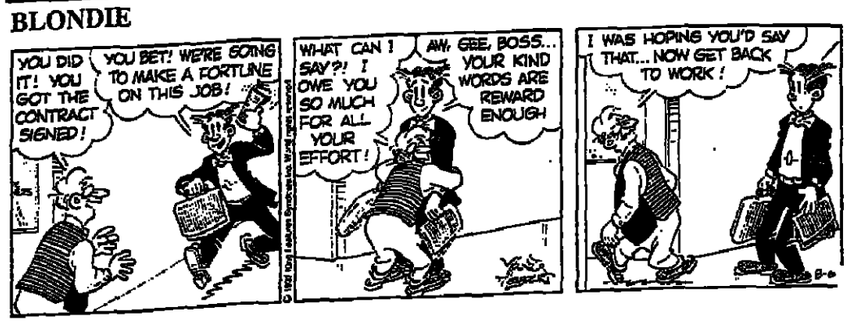
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OBSERVER

Oh, President Ford!

By Russell Baker

NEW YORK — All through "Air Force One" I kept thanking the gods who watch over America for not letting this movie be made before Ronald Reagan left the Oval Office.

It was terrifying to think what Reagan, who was famous for confusing movies with real life, might have done if he'd felt obliged to live up to standards set by President Harrison Ford.

The physical ordeals overcome by President Ford (Harrison, not Gerald) would require a level of physical fitness found only in the rarest Olympic champion.

Reagan could never have been the good-humored president we all loved had he felt obliged to sacrifice his long, refreshing naps and sweat his days away under a personal trainer determined to tighten up the presidential abs.

Ford, despite all the bad air and sleepless nights that go with a successful political career, still has the muscle to beat the bejeebers out of a half-dozen diehard-Commie terrorists and the know-how to pump most of them full of automatic-handgun lead.

He also has the cool, witty savoir-faire to tell the head terrorist "Get off my airplane," while tossing him through an open hatch.

□

And not only that! This is a president who can take a punch that would break Mike Tyson's jaw. Does he fight back with incisors and canines to his opponent's ear?

How can he? His arms — the presidential arms! — are tied behind the presidential back. He is completely at the mercy of his captor, who takes the opportunity to deliver a series of brutal bare-knuckle punches to the jaw — the presidential jaw!

Any one of these punches would shatter the jaw of the average president and every bone in the hand of the man who delivered it.

Harrison Ford, however, is not your average president. He has had his old, breakable jaw replaced with a granite implant.

□

You may be wondering why Air Force One — the president's plane, not the movie — turns out to be as big as Logan Airport once you get inside. Isn't it obvious? Ford had it built that way.

"Look," he told the people at Boeing, "one of these days, Air Force One is going to be hijacked by terrorist fanatics, and I'll need a lot of nooks and crannies to hide in until I can get rid of them."

The president's know-how about really good hiding places inside Air Force One is only one small part of the great mass of evidence proving that America knew what it was doing when it elected Harrison Ford to be its chief executive.

Though previously tutored only in helicopters, this is a president at ease taking the controls of his 747 jumbo.

Is there nothing this president can't do? Yes, and how heart-warming it is to see him take out a mobile telephone and immediately turn to an instruction manual on how to use it. Of course, this being President Harrison Ford, it doesn't take him two and a half hours to learn how to get results.

This being President Harrison Ford, he does it in 3.5 seconds. Now that's going too far. It defies belief.

New York Times Service

At Salzburg Festival, a Different Sound of Music

By William Drozdiak
Washington Post Service

SALZBURG — For nearly eight decades, Salzburg has savored its reputation as host of the world's most celebrated summer music festival. While Europe's heathen masses jam the beaches of Mallorca and Saint-Tropez, the world's most renowned musicians, singers and culture vultures traditionally descend each year at this time on Mozart's birthplace for several weeks of opera, concerts and kibitzing that can make or break careers in classical music.

Gerard Mortier has moved the festival out of von Karajan's shadow.

After the death in 1989 of its longtime director, Herbert von Karajan, the Salzburg festival struggled with something of an identity crisis. His passing raised serious questions about whether the festival could survive without the domineering maestro whose unquestioned talents served as a magnet for performers and audiences alike. The selection of a nonmusician, Belgium's Gerard Mortier, as the artistic director only deepened the sense of anxiety about the festival's future among its many fans.

But to the surprise of many people, Mortier has enabled Salzburg to flourish in remarkable ways by moving the program out of von Karajan's shadow and returning the limelight of center stage back to the performers. He has tried to break down elitist boundaries by opening up the quaint baroque city nestled at the foot of the Austrian Alps to young people and international visitors. As a result, the six-week series of performances has blossomed into the largest music festival in the world, with more than 215,000 tickets sold this year.

Under the stewardship of von Karajan, the festival had evolved into a monument to the legendary conductor's enormous ego. He insisted on total artistic control, conceiving entire musical programs that reflected his obsession with composers of the Romantic era. He would fly into a rage if the slightest detail escaped his approval. He alone would decide who could adorn the stage: Those performers he liked, such as the tenor Jose Carreras or the violinist Anne-Sophie Mutter, were assured of stardom; those who crossed him were plunged into oblivion.

Mortier's efforts to popularize high musical culture has shocked the starchy sensibilities of his Austrian benefactors, who had become enamored of von Karajan's reactionary, self-centered ways. But they have found it hard to quibble with Mortier's success in cultivating larger audiences and expanding gate receipts. More than any of Europe's other big summer festivals — theater at Avignon, France; jazz in Montreux, Switzerland; or Wagner in Bayreuth, Germany — Salzburg now covers 75 percent of its costs from ticket sales and no longer depends on cultural subsidies for life support.

"The public tends to think of this place as a festival for jet-set snobs," Mortier said in an interview. "But we are changing all of those stereotypes. We are reserving many thousands of seats for young people at affordable prices so we can build a new generation of classical music lovers. At the same time, we are trying to make traditional classics accessible to modern influences."

To be sure, the festival has no intention of alienating its faithful adherents. In a tribute to Salzburg's most famous son, this year's program features five Mozart operas, ranging from the early work "Mitridate" (which he composed at age 14) to his final two, "The Magic Flute" and "La Clemenza di Tito." The list of star performers at the festival is no less distinguished than in previous years, including directors Riccardo Muti and Claudio Abbado, sopranos Jessye Norman and Dawn Upshaw, and violinist Gidon Kremer.

But under Mortier's direction, this year's festival has focused attention on ambitious stagings by the American director Peter Sellars of Gyorgy Ligeti's "Grand Macabre" and by Robert Wilson, also American, of Debussy's "Pelleas et Melisande." Indeed, Mortier's willingness to experiment appeals to young people.

Most bizarre of all is a new avant-garde version of Mozart's "The Abduction From the Seraglio" that sets the 18th-century opera in cyberspace, using digitalized music and computer monitors to question whether the information highway is blurring distinctions between virtual and real life.

In the original opera, pirates seize three friends and hold them prisoner in an Ottoman palace — an exotic scenario that captivated European audiences at the time because of their experiences with Turkish invaders who had besieged Vienna at the height of the Ottoman Empire.

The new version, created by the young Austrian composer Peter Valentin and the director Hubert Lepka, depicts the trio disappearing while surfing the Internet. They are trapped in a mysterious digital mesh that threatens to transform them into computer data. An e-mail message helps the hero, Belmonte, locate and rescue his beloved Konstanze from her virtual abductor. Every note of the score was digitally modulated or electronically produced to create what Valentin calls "a contemporary instrumentation of Mozart's original music."

Mortier has encouraged such novel approaches, saying he believes it is the only way to reach a larger audience of young people. "We are trying to push back the boundaries of tradition because we realize that it cannot be left in a museum but should be made part of today's reality," he said. "That is the way that classics have endured through the centuries, and there is no reason why this festival should not do the same."



Jacqueline Goulaux Theatre

Matthias Goerne and Sylvia McNair rehearsing "The Magic Flute" in Salzburg.

HUMOR

A Canadian Wit Looks Back, Not Laughing

By William Grimes
New York Times Service

NEW YORK — Back in the mid-1970s, a new moon began tracing a wayward, wobbly orbit in the solar system of American humor. Readers of The National Lampoon found themselves puzzling over multipage color spreads depicting bizarre nonepisodes from a fabled past, rendered in the high style of U.S. magazine advertising from the 1930s to the '50s.

One sequence celebrated sports of a bygone age, like zeppelin-hunting and polo played with surplus World War I tanks. Another highlighted the 1936 Cairo World's Fair, famous for the U.S. "Man and His Money" exhibition, in which visitors were locked in vaults and buried under an avalanche of crisp $500 bills. A fake catalog set forth the splendors of the 1934 Airdreme line of Bulgemobile cars, leading off with the V-24 Mogul Sedanola. One very peculiar spread followed the voyage of a dirigible manned entirely by a crew of skeletons in spiffy uniforms. The accompanying text was a rich stew of Madison Avenue clichés, tabloid Americanisms, and high-pressure sales lingo.

What sort of mind was churning this stuff out?

It belonged to a transplanted Canadian advertising man named Bruce McCall, now a writer and illustrator for The New Yorker. The humor had its roots in a miserable Ontario boyhood that he chronicles in "Thin Ice: Coming of Age in Canada," published recently by Random House, a portrait of the artist as a young man that also peers into the Canadian soul and, with considerable bitterness, evokes rural Ontario and the seedier side of Toronto in the '40s and '50s.

"Originally, the idea was to write a book about growing up and make a lot of funny remarks about Canada," McCall said. "But I quickly saw that that would be flyweight."

With Canadian reticence, however, he shrank from exposing his childhood and family to public view. The story was sub-Dickensian, the tale of a sprawling family teetering on the poverty line, held in thrall to a father who was part Micawber, part Murdstone, and a mother who slipped into alcoholism at an early age. McCall hesitated, then took the plunge.



Fred R. Conrad/The New York Times

Bruce McCall's memoir peers into the Canadian soul.

From the beginning McCall's ear was a sensitive receiver tuned to the wild frequencies of American life. Just across the border, it seemed, people were having a special brand of fun denied to Canadians, especially Canadians in the poky town of Simcoe.

As a boy, he would collect the Camel packs and beer-bottle caps thrown out the window by Americans whizzing past on the highway between Detroit and Toronto. Obsessed with cars, airplanes, and complicated machinery, he would later feast on advertising images of the good life, American style.

The United States represented color, speed and noise, Ontario the opposite, a dreary, muffled environment that made an appropriately gray backdrop to the sour, slow-moving drama of the McCall family. "Only when I got away," said McCall, "did I realize how smotheringly insulated it all was."

Illustration was an escape. McCall created fictional hockey and baseball teams. He dreamed up his own film studio, Turnoblur Pictures, which turned out gems like "Oh, That Mustard Gas," which were instantly subjected to scathing assessments by McCall, writing as the film critic Leeman Bonky. He even created his own country, Punerania, which occupied a rung on the international ladder just below Albania.

McCall eventually stepped into advertising, first as a lowly illustrator for Chevrolet, later as a top copywriter at Ogilvy & Mather, assigned to the Mercedes-Benz account. In 1974, a friend at Car and Driver, for which he wrote a column, steered him to The National Lampoon, where the editor, Henry Beard, immediately signed him to a contract to contribute 24 pages of material a year.

Canada remained on McCall's mind. One of his early contributions was "The Shame of the North," a cartoon depicting a wild and woolly Canadian border town, where the thrills on offer included a burlesque house with "Live Hatless Girls," a chapel specializing in quickie baptisms, and Reg Snively's Kit-Kat-Klub, a sin bin that boasted of its live organist and free mints.

"The Canadian identity is a sentimental wish in a way, but there is a consciousness that says, 'Don't stand out,'" McCall said. "It shows up in dress, even in a hip, sophisticated place like Toronto, where they don't wear Armani, they wear Eton blazers with a tartan tie. They don't get $100 haircuts, because that's too vain."

At the same time, the country has been enormously productive in the humor department. It has generated most of the original "Saturday Night Live" cast, the "Second City Television" troupe, Martin Short, Jim Carrey and Mike Myers.

"I've always said it's because satire is made by the have-nots observing the haves," McCall said, "and Canadians are always pressing their noses to the glass that separates them from the United States. Envy creates acute observers."

PEOPLE

WITH the passing of a 122-year-old woman in France, **Christian Mortensen**, 114, expects to be recognized soon by the appropriate authorities as the oldest person in the world. Even before Mortensen laid claim to the title, however, a dispute appeared to have broken out. A spokesman for Guinness Publications said in London that the firm had unconfirmed news of a 118-year-old woman living in California. Another woman, in Brazil, **Maria do Carmo Geronimo**, claims that she is 126, but she has thus far been kept out of the Guinness Book of World Records because of some questions surrounding her baptismal papers. Mortensen, of San Rafael, California, had already taken firm hold of the unofficial title of World's Oldest Man on the strength of documents recording the birth in Skaarup, Denmark, of Thomas Peter Thorvald Kristian Ferdinand Mortensen on Aug. 16, 1882 — the same year that **James Joyce**, **Virginia Woolf**, and **Franklin Roosevelt** were born. In an article last year in The Gerontologist, **John Wilmoth**, a professor of demography at the University of California at Berkeley, followed Mortensen's paper trail from the parish of Fruering in Denmark and the 1901 Danish census, on to Ellis Island and the floor of Continental Can Co. in Chicago, where Mortensen made cans from 1929 until his retirement. At a news conference, Mortensen said he especially liked the time he spent as a cowboy in Denmark. "I wouldn't mind being a cowboy again," he said. "A cowboy is a healthy life — to live with the cows." Mortensen seemed less romantic about women, one of whom he briefly married. "The cows — that's a happy life," he said. But did he have many girlfriends? "No, no. I didn't live with girlfriends. I lived with cows."

□

A Saudi heiress denied Tuesday that she had married **Omar Sharif**, the star of the classic movie "Doctor Zhivago" and a bachelor for more than 30 years. "There is no truth to press reports that I married Omar Sharif," **Nadiya Aja**, 50, told Agence France-Presse in Cairo. "I was surprised by this information, which also astonished my family," she said. "The only thing linking me to Omar Sharif and his family is a long-standing friendship."

□

Carrie Fisher, perhaps best known for her portrayal of the beautiful Princess Leia in the "Star Wars" films, has signed a multiyear deal for an undisclosed amount to develop and write comedy projects for Universal Television. Fisher is no newcomer to writing. She wrote the screenplay for the feature film "Postcards From the Edge," which was based on her best-selling first novel, and is now working on her fourth novel. Fisher is also well known in Hollywood for her script-doctoring work on such films as "Lethal Weapon 3," "Sister Act," "Hook" and "Milk Money."

□

The veteran White House reporter **Helen Thomas** was the star as **President Bill Clinton** led officials and reporters in a round of "Happy Birthday" to mark — what? Clinton presented Thomas with a cake but was admirably discreet. "We are observing another anniversary of Helen's 50th birthday," he announced during a photo session in the Cabinet Room. Thomas has covered the White House for many years for United Press International. (Hint: She was born in 1920.)



Frankie Frost, The Associated Press

Christian Mortensen, 114: the world's oldest person?

□

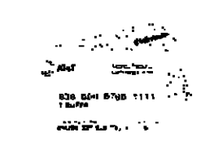
The wife of the rogue trader **Nick Leeson** is reportedly planning to divorce him, according to a Singapore newspaper. **Lisa Leeson** is "taking steps to end their six-year marriage," said The Business Times, quoting unidentified sources. Leeson is serving a six-and-a-half-year sentence in Singapore on two charges linked to the 1995 crash of Barings bank after he lost $1.38 billion through disastrous investing.

□

What are things worth on Martha's Vineyard in August? At a celebrity auction, one of **Princess Diana**'s dresses (obtained at the recent Christie's sale) raised $25,000, and three people spent $25,000 each on a tour of The Washington Post with **Katharine Graham**, who also chipped in $25,000. Other big tickets: a weekend in New York City with visits to "Saturday Night Live" and the NBA All-Star Game ($27,500); backstage passes and dinner with **James Taylor** ($7,000); a walk-on part on "All My Children" ($9,000); a visit with **Christopher Reeve** ($7,100), and a bagel-making session with **Ted Danson** and **Mary Steenburgen** ($6,000). The $400,000 raised goes to benefit community services on the Vineyard.



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